

The complaint

Mr O complains that Revolut Limited (Revolut) blocked and closed his account, then returned the funds in his account to the original sender.

To resolve his complaint, Mr O would like the £258.40 that was in his account to be refunded. And to receive compensation from Revolut.

What happened

On 3 July 2019, Revolut blocked Mr O's account, without explaining why. Revolut carried out an investigation, which was completed on 31 January 2020. On completion of the review, Revolut closed Mr O's account without giving advance notice, and returned the account balance of £258.40 back to the source it originally came from.

Mr O complained. He said he chased Revolut numerous times using the live chat feature but only received automated replies or vague responses. Revolut couldn't resolve his complaint, so Mr O came to our service.

Our investigator looked at Mr O's complaint and sought evidence from both parties, to understand what had happened. Having done so, she said Revolut was entitled to block and close Mr O's account, and that it acted fairly when it returned the funds in his account to source.

She also said Revolut wasn't obliged to provide an explanation for its decision and that she couldn't interfere with Revolut's decision not to operate a telephone presence and give automated responses in live chat.

But she did feel Revolut had taken longer than it should have to complete its investigation. She asked Revolut for its comments on the time taken and Revolut agreed to pay Mr O £50 in compensation, which she felt was fair.

Mr O didn't agree. He said he wanted the money in his account to be returned to him, and for compensation for the delay and inconvenience he'd experienced. So he asked for an ombudsman to consider the matter afresh.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Account closure

A bank is entitled to close an account with a customer just as a customer may close an account with a bank. But before a bank closes an account, it must do so in a way, which complies with the terms and conditions of that account.

The terms and conditions of the account in question – which both Revolut and Mr O had to comply with – say Revolut can close an account immediately and without notice, under certain circumstances.

I've looked at the evidence Revolut has provided me to explain why it closed Mr O's account. And I've thought about how that sits against the terms of the account. Having done so, I'm satisfied it was entitled to close Mr O's account in the manner it did.

Account block

All banks in the UK are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. That sometimes means they need to restrict customers' accounts while they carry out a review.

So, in order to make an award in favour of Mr O, I would need to be satisfied that Revolut acted unfairly or took action it wasn't entitled to take. And, having looked at the evidence, I'm satisfied that Revolut acted in line with its legal and regulatory obligations when it blocked Mr O's account. And that it was entitled to do so under the account terms and conditions that govern the relationship between Revolut and Mr O.

I've also reviewed the timeline to see if Revolut acted promptly or caused any unnecessary delays. I can see there were a number of matters Revolut had to consider, so I accept it was necessary for the block to remain in place for a number of months. And I can see that Revolut closed Mr O's account on the day it completed its review, so there were no further delays once it had made its decision.

With that being said, I've not seen enough to persuade me that Revolut couldn't have completed the review more quickly. And Revolut made an offer of £50 in recognition of any distress and inconvenience Mr O experienced during the time his account was blocked.

So I've thought about whether Revolut has done enough to put things right for Mr O. Having done so, I'm satisfied Revolut has done enough and I won't be asking it to pay Mr O any additional compensation. I've reviewed the information Revolut has provided and I'm satisfied it needed to spend the time it did, for the most part. And that any avoidable delays were relatively minor.

I accept Mr O was unhappy at receiving vague or automated responses, but Revolut wasn't obliged to provide any further information. And it wouldn't be appropriate for me to tell Revolut how to run its customer contact, in terms of the communication channels it chooses to use.

I know Mr O is frustrated that he wasn't given a proper explanation as to why his accounts were frozen. And that he feels very strongly about his complaint. But under the terms and conditions, Revolut doesn't have to give a reason for doing so. So, I can't say it did anything wrong by not giving Mr O this information when he complained.

Account balance

The final issue for me to address is the funds Revolut returned from Mr O's account. Mr O says the money was the proceeds of a Bitcoin transaction, and he's provided our investigator with screenshots of messages he says proves his entitlement to the funds.

I've looked at the evidence Revolut sent our service to justify its decision to return the funds to sender, instead of to Mr O. And I've looked at the evidence Mr O has provided to show the

money should have gone to him. Having considered all of the evidence supplied by both parties, I don't think Revolut acted unfairly when it returned the funds to their original source.

I acknowledge what our investigator said about the sender seeking to repay Mr O after the funds were returned, so I'm not satisfied Mr O can't obtain the funds himself. Regardless of that, based on what Revolut has shown our service, I'm satisfied that it acted reasonably in declining to return the funds to Mr O.

My final decision

For the reasons I've set out above, my final decision is that I do not uphold this complaint. And that Revolut has done enough to put things right for Mr O by offering him £50 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 17 February 2021.

Alex Brooke-Smith
Ombudsman