

## **The complaint**

Mr M complains Revolut Ltd blocked and closed his account. He also says Revolut took too long to return his money to him. He wants Revolut to compensate him for the impact this had on him.

## **What happened**

Mr M had an account with Revolut.

In July 2019, Revolut blocked Mr M's account and told him it needed to speak to him about how he was operating his account.

Mr M provided Revolut with information about the payments made into his account. This included paperwork relating to his business and details of his business partner. Revolut reviewed the information Mr M provided and decided to close his account immediately in September 2019.

Revolut told Mr M that it would return the balance of his account of just over £200 back to source. And that he should contact the sender of the funds for access to the money. Mr M contacted the sender of the funds. But it said it hadn't received the funds from Revolut. Unhappy with this response Mr M brought his complaint to our service where one of our investigator's looked into things for him.

The investigator told Revolut Mr M hadn't received his money back and asked them to provide some evidence that this had been done. Revolut explained that it hadn't been possible to send the money back to source. And it hadn't contacted Mr M to seek alternative arrangements. Revolut told the investigator that due to an administrative error Mr M's money hadn't been returned and was 'parked' in a sundry account.

To try and sort things out, the investigator asked Revolut to send the money directly to an account nominated by Mr M. Revolut agreed but unfortunately, this didn't happen. It explained this was due to another administrative error. Revolut returned Mr M's funds to him on 11 December 2020.

Revolut accepted it had made mistakes and hadn't returned Mr M's funds to either the source or the account he'd suggested. Revolut apologised to Mr M and offered him £100 compensation for any trouble and upset he'd been caused.

Mr M didn't accept Revolut's offer. He said that he'd been a good customer of the bank and had always maintained his account properly. He also said Revolut hadn't kept him informed about what it was doing with his money and he'd spent a lot of time trying to sort things out. He said the £100 compensation Revolut offered wasn't enough to reflect the amount of trouble and upset he'd been caused.

The investigator didn't think Revolut had done anything wrong when it had blocked and decided to close Mr M's account. But he said Revolut had caused unnecessary delays and

had taken more than a year to give Mr M his money back. So, he said Revolut should do more to put things right and pay Mr M £200 compensation in total.

Mr M and Revolut disagreed. Mr M wants more compensation and says Revolut treated him unfairly when it blocked and closed his account. Revolut say they've done enough to put things right and the compensation suggested by the investigator is excessive. As no agreement has been reached the case has come to me to decide.

### **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 review and closure*

Revolut are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. Having looked at all the evidence, I'm satisfied that Revolut acted in accordance with these obligations when it blocked and reviewed Mr M's account. I then turn to Revolut's decision to close Mr M's account. As the investigator explained, it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep customer or require it to compensate a customer who has had their account closed.

Under the terms of the account Mr M held, Revolut are entitled to end the relationship. I can see that they notified Mr M on their decision, so I can't say Revolut have done anything wrong.

#### *Access to funds*

Revolut has already accepted it should have provided Mr M with better service when it returned his closing balance to him. Revolut has explained that the delays were caused by administrative errors. And from looking at the evidence that has been provided I accept that it was.

I can see that Revolut initially tried to send Mr M's money back to source, but when this wasn't successful, I can't see that Revolut contacted Mr M or tried to find out why the payment hadn't been successfully processed. As a result, Mr M had to spend time making enquiries with who'd sent him the money only to find out the money hadn't been returned. And when he provided an alternative account, Revolut incorrectly said it had actually managed to send the money back to source. So, I can understand why Mr M was confused and frustrated. I can also see from looking at Revolut's contact notes with Mr M that he told Revolut on more than one occasion that he needed access to the money to buy food for his children. So, I'm satisfied Mr M been caused unnecessary distress and inconvenience by Revolut's delays and mixed messages about where his money actually was.

Revolut closed Mr M's account in September 2109 So, it should have released Mr M's money to him at that time or soon after. But Mr M had to wait until 11 December 2020 – some 15 months later, to get access to his funds. Revolut has explained that this was due to administrative errors. I don't think it's unreasonable for such an error to lead to a few weeks delay. But I do think Revolut could've released Mr M's funds sooner than it did. And at the very least engaged with him to find a way forward. But I can't see that it did that. Given Mr M told Revolut he needed the money to pay for everyday essentials such as food for his children, I can see how such a lengthy delay was more significant to him.

In summary, I've no doubt Mr M has had an upsetting and frustrating time. And I'm satisfied that he was put to trouble and upset having to repeatedly contact Revolut and wait more than a year for his funds to be released. So, I think £200 compensation is fair and reasonable.

### **My final decision**

My final decision is that I uphold Mr M's complaint. Revolut Ltd should pay Mr M £200 in total for the delay in releasing his funds and poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 April 2021.

Sharon Kerrison  
**Ombudsman**