

## **The complaint**

Mr O complains Revolut Ltd unfairly closed his account and failed to raise a chargeback for a purchase he made. He wants the Revolut to reimburse him for the payment he made and compensation for the poor customer service he received.

## **What happened**

Revolut decided to review Mr O's account and blocked him from accessing it. It asked Mr O to provide evidence of the cards he used to top up his account, copies of payslips, and evidence related to an account he holds with another bank. He was also asked about several refunds on his account. Mr O supplied the evidence Revolut asked for.

Mr O said he wanted his balance returned and complained to Revolut, who rejected his complaint. Mr O brought his complaint to our service. Shortly afterwards Revolut completed its review, returned the funds it was holding to Mr O, and decided to close his account.

Mr O said Revolut failed to raise a chargeback for a large payment he made the month before his account was frozen. He said he paid for an item through a well-known online marketplace but received a box containing only packaging material. Mr O raised the matter with the police and its online fraud reporting arm.

Mr O contacted Revolut on multiple occasions via its online chat function. Eventually Revolut told him it wasn't going to raise the chargeback because it no longer provided services to him once his account was closed.

An investigator at our service decided not to uphold Mr O's complaint. They found:

- Revolut has important legal and regulatory responsibilities and it was reasonable for it to block Mr O's account to safeguard the account during its review.
- It was reasonable for Revolut not to have raised a chargeback during the review or after the account was closed.

Mr O wasn't happy with the investigator's findings. He said:

- Reviewing his account wasn't a good reason not to raise a chargeback. He was the victim of fraud.
- Revolut's decision to close the account was based on him bringing a complaint to our service.
- Firms do have legal and regulatory obligations, but Revolut were blocking an abnormally high amount of customer's accounts compared to other firms.
- Revolut had prevented him from accessing proper customer service.

The investigator said they could only investigate what happened on Mr O's account. Only the regulator, the FCA, could consider the appropriateness of Revolut's conduct towards a large number of customers.

Mr O asked for a final decision from an ombudsman, so the complaint has been passed to me to decide. He also raised the matter of his partner's Revolut account being closed.

### **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.

I've decided not to uphold Mr O's complaint. I'll explain why:

- I understand why Mr O might think Revolut closed his account because he brought his complaint to our service. Revolut's decision to close the account was made shortly afterwards. But having looked at the basis for Revolut's decision, I'm satisfied it was reasonable and not based on Mr O exercising his right to complaint.
- Mr O is concerned about the number of customer accounts Revolut is blocking and closing. But I can only consider what happened to Mr O, and whether Revolut closing his account was unfair. The conduct of a firm is for the regulator, the FCA, to consider.
- Revolut has important legal and regulatory responsibilities, and it can review and monitor accounts in relation to them. I find Revolut were able to freeze Mr O's access to the account during its review. And, I'm satisfied it didn't cause an undue delay performing the review. It sent the remaining balance back to Mr O promptly once the review was completed.
- Mr O says Revolut ought to have raised a chargeback for a large payment he made the month before his account was frozen. I can see Mr O has received several refunds from merchants over the time he has had the account. And it's also clear Revolut asked him about certain refunds when it blocked his account.
- Revolut doesn't always have to raise a chargeback. There may be a variety of reasons why it doesn't. One of those reasons could be it doesn't think there is a reasonable prospect of the chargeback succeeding. Or it might think raising a chargeback would be inappropriate considering the individual circumstances of a customer and their account.

I have carefully considered the outcome of Revolut's review and its basis, as well as its reasons for closing the account. And, when weighed together, I'm satisfied Revolut's decision not to raise the chargeback was reasonable.

- After reviewing Revolut's online chat responses to Mr O, I understand why he became frustrated by the service he received.

The messages Mr O received were often standardised. They repeated Revolut wouldn't provide services to him anymore. But they didn't directly reference the chargeback, so Mr O likely felt Revolut weren't listening to him. And, on one occasion Revolut referred to Mr O by the wrong name and then apologised.

On balance, however, I'm satisfied Revolut's errors don't warrant compensation in the circumstances of this complaint. I doubt Mr O would have been satisfied by Revolut's response even if it had been clearer that the chargeback wasn't going to be

made. So, Mr O would still have experienced much of the same frustration that went on to experience.

- Mr O said his partner's Revolut account was closed. But this is a complaint for his partner to bring if they are unhappy about the closure. I have not considered this point as part of my decision.

For the reasons I have given, I am not upholding Mr O's complaint.

### **My final decision**

I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 21 May 2021.

Liam King  
**Ombudsman**