

The complaint

Mr C complains that Revolut Ltd restricted his account and he is unhappy with the way they responded to his concerns about fraud.

What happened

In January 2021 Revolut contacted Mr C via the app chat function to ask if he had ever lived on or been to a particular street. As Mr C didn't respond within seven days they restricted his account.

On 2 February 2021 Mr C realised his account was restricted and contacted Revolut. He was worried his account had been hacked. Revolut asked whether he had lived on the particular street, to which he replied "no". Mr C's account was unlocked on 3 February 2021.

Mr C was still worried about why he had been asked this question and whether the security of his account had been compromised, and so through the app chat he asked for a call from the fraud department. Revolut advised Mr C that that their fraud department doesn't speak to customers, but they agreed to pass his concerns on. They explained that the checks were part of their standard security checks in line with their legal obligations.

Mr C told Revolut that they had a legal and regulatory obligation to speak to him but Revolut maintained their position, continuing to deal with him through the app chat, and this cycle of communication continued for several months. Revolut issued a final response to his complaint on 19 February 2021.

Mr C brought his complaint to us.

One of our investigators looked into Mr C's complaint. He thought that Revolut had acted in a fair and reasonable manner.

Mr C disagreed with our investigator's view and has asked for an ombudsman's decision which is why it has come to me to review.

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 have not upheld the complaint and I will explain my reasons below.

I have reviewed all the chat notes with Mr C provided both by him and by Revolut, the account notes, and I've seen the response to the further queries raised by our investigator.

I can see that Revolut tried to contact Mr C via the chat function on 12 and 13 January 2021 to confirm some information as part of a security check. In the second message they advised that if they didn't have contact in seven days they would restrict access to his account. On 20 January, having had no response, they sent a further message to advise that the account

had been restricted. As Mr C had been given warning that this would happen, I consider that Revolut acted fairly and within the account terms and conditions in placing the restriction on the account.

Mr C became aware of this on 2 February 2021 and contacted Revolut through the app chat. He waited several hours for a response and was then asked to confirm whether he had a link to the particular address. Mr C confirmed that he didn't, and he was advised that the information was requested as part of the standard security measures. His account was reinstated during the afternoon of 3 February 2021.

I can see from the chat notes on the morning of 3 February 2021 that Mr C remained dissatisfied about why his account was subject to extra checks and he was worried that he had been a victim or potential victim of fraud. He didn't feel that the reasons for this had been adequately explained to him. Mr C asked for a phone call from the fraud team to discuss this and asked for a fraud case to be opened as he thought that as Revolut were asking him about an address that was nothing to do with him, he must have been a victim or potential victim of a fraud.

Mr C was advised that he couldn't be called by the fraud team and that the security checks that had been undertaken were part of standard security measures in line with Know Your Customer and Customer Due Diligence. However, Mr C still had difficulty accepting this and entered into a cycle of messages with Revolut lasting 4 months in which he repeatedly asked for a call and was told that was not possible.

I can understand that Mr C was worried by the unsolicited contact from Revolut, the fact that his account was restricted, and being asked about an address that he had no connection with. However, having viewed confidential information provided by Revolut, I am satisfied that Revolut made a legitimate enquiry as part of their wider fraud and security obligations and they did nothing wrong in making contact through the app, or asking the question. I think that Revolut did provide some reassurance to Mr C that this was part of the standard checks, and whilst it would have been helpful if they had early on given clearer confirmation to him that they had no concerns about the security of his account, the information provided is adequate.

I can also see that in their final response on 19 February 2021 Revolut did explain that account security is important to them and that they are entitled to carry out any necessary checks to ensure account safety. That should have given Mr C some further reassurance that the checks were routine.

Mr C has complained about having to use the chat function to discuss this concern and has asked repeatedly for a phone call. Revolut are an internet bank and their terms are clear that they usually communicate by app – so I don't think they have done anything wrong here in contacting Mr C through the app chat function. They have explained to Mr C both in the chat and in their final response that the fraud team would be unable to call him, but that the customer support team could speak to him, and calls were arranged for him although they didn't take place. Although this is disappointing, I'm not sure this would have resolved matters in any event as Mr C had been clear in the app chat that he wanted to speak specifically to the fraud team. However, having offered a telephone call as an adjustment for Mr C, I think that they have offered a suitable alternative to the app chat and so I don't think they have done anything wrong here.

Whilst I think some of the customer service provided on the app chat could have been better, I think that overall Revolut have acted fairly, and in line with their legal and regulatory obligations and account terms. In view of the above I won't be recommending that Revolut do anything further.

My final decision

For the reasons I've explained, my decision is that I don't uphold Mr C's complaint about Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 February 2022.

Joanne Ward
Ombudsman