

The complaint

Miss B complains that Revolut Limited restricted access to and then closed her account.

What happened

Miss B had an account with Revolut that she opened in July 2020. At the end of March 2021, Revolut said her account had been flagged by its automated system, and asked Miss B to provide details of her income or the primary source of her funds.

But Miss B said she couldn't provide this information – she said she'd inherited the funds in 2006, and didn't have any paperwork as this was dealt with by her brother. She also said she couldn't provide the paperwork as she wasn't in the UK at the time. Revolut said that it couldn't proceed without the relevant documents, and that without them it would need to close the account.

Though Miss B provided a statement showing some payments into her account, Revolut decided to close Miss B's account – and gave her 60 days to withdraw her funds. Miss B contacted Revolut to ask for an explanation of why it closed her account. But Revolut said that it was unable to disclose details regarding the review of the account or point out a reason that had raised its concerns, as required by its regulators.

Dissatisfied, Miss B referred the complaint to us.

Revolut reviewed the complaint and offered to pay Miss B £20 in full and final settlement of the complaint. Our investigator looked at this, and didn't think Revolut had treated Miss B unfairly, and said that the £20 was open for acceptance if Miss B wanted it.

Miss B didn't agree with the investigator. She thinks Revolut should pay her £100.

As the investigator wasn't able to resolve matters informally, the complaint has been referred 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.

I don't uphold the complaint. I'll explain why.

Financial businesses like Revolut have to comply with a number of legal and regulatory requirements. This means they need to monitor customers' accounts and may need to review them at any time. This can include asking for information about payments into the account. While it is waiting for that information, it may need to restrict access to the account. And where a business does that, it doesn't need to give reasons.

I've also considered the terms and conditions of Miss B's account. These confirm that Revolut could block Miss B's account to meet its legal regulations. I note the terms and

conditions allowed Revolut to close Miss B's account by giving her at least two months' notice – but also allowed it to close his account immediately in exceptional circumstances.

Thinking about all of this, I don't think Revolut acted unfairly in Miss B's case.

I'm satisfied that when Revolut requested the information from Miss B it was acting in accordance with its legal and regulatory obligations. These meant it was entitled to ask Miss B for information about the source of her funds. I appreciate Miss B wasn't able to provide this information – and given what she's told us, I can certainly understand why she couldn't. But this doesn't mean I can say it was wrong for Revolut to have asked Miss B for this information.

Similarly, I can't say it was wrong for Revolut to close Miss B's account. The terms and conditions allowed Revolut to close Miss B's account by giving her at least two months' notice. Here, Revolut gave Miss B notice that it would close her account and gave her 60 days to withdraw her funds to another account. I appreciate that doing this caused Miss B inconvenience – she says she relied on her Revolut card for everyday spending while she was abroad. And she says that at the time this happened she couldn't return to the UK because of travel restrictions relating to Covid-19. But I can't say this is something Revolut was responsible for – and having given notice to close the account it was then up to Miss B to find other ways to transfer money for her use abroad.

For these reasons, although I have every sympathy with the position Miss B found herself in, I can't say Revolut did something wrong. It was entitled to ask her for information about her source of funds, and as she couldn't provide this, it's unsurprising that Revolut then decided to close the account. It follows that I don't uphold Miss B's complaint and I'm not going to tell Revolut to do anything further to put things right.

My final decision

I don't uphold Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 9 June 2022.

Rebecca Hardman
Ombudsman