

The complaint

Miss A complains that Revolut Ltd restricted access to her account.

What happened

Miss A had an account with Revolut, which she opened in February 2021.

In April 2021, Revolut asked Miss A for information about the source of her funds. Miss A contacted Revolut in May 2021 with a payslip. Revolut asked for a copy of the information in PDF format, which Miss A provided a few days later. Revolut also said Miss A had received funds from a limited company, and asked for information about that company, which Miss A provided. Revolut said that a team needed to review this information.

Miss A then contacted Revolut in early June to find out what was happening. Revolut said the review of the account was ongoing. In mid-June, Revolut placed additional restrictions on the account. Miss A asked about this and was told that Revolut hoped to complete its review of her account within 14 days. Dissatisfied, Miss A made a formal complaint. Then in early July 2021 Revolut completed its review and told Miss A that her account would be unrestricted.

Revolut looked at this. It says that it offered Miss A a free six month subscription to its “Metal” premium plan, and refunded £77.94 to her. Since then, it has also offered a further £20 in full and final settlement of the complaint.

Miss A wants £20,000 in compensation for loss of income and the stress and inconvenience she says Revolut caused her.

Our investigator looked at this and didn’t recommend that the complaint be upheld – and said that what Revolut had offered was fair.

Miss A didn’t agree.

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.

Financial businesses like Revolut are subject to a number of legal and regulatory obligations. This means they need to monitor their customers' transactions and may need to review an account at any time. Where a business needs to review an account, it doesn't need to give reasons. And this may also mean the business needs to restrict the account while it looks at what's happened.

Based on what I've seen, I'm satisfied that Revolut was acting in line with its legal and regulatory obligations when it reviewed Miss A's account. And so I'm satisfied it was entitled to ask Miss A for details of the source of her funds.

Miss A is unhappy about the time Revolut took to complete its review. She provided the information Revolut has asked for by 25 May 2021, but Revolut didn't complete its review until 2 July 2021.

I've thought about this. I see that for much of the period Miss A was able to continue using her account. Revolut says it didn't place full restrictions on her account until 16 June 2021. Until that time, Miss A was able to top up the account and exchange funds to cryptocurrency and her investment pot. It was then just over two weeks before Revolut completed its review on 2 July.

I recognise that Miss A says she lost out because she wasn't able to trade her shares and cryptocurrency. But as I've found that Revolut were entitled to review the account in line with its regulatory obligations, I can't fairly say this is something Revolut should compensate her for. Moreover, based on what Miss A has said, it appears much of the money in the account wasn't hers – she told Revolut she was investing money from a limited company in cryptocurrency as it wasn't able to do this through a Revolut business account. I have no power to award compensation for losses or inconvenience suffered by third parties, such as Miss A's limited company.

I appreciate that Miss A would have found it inconvenient to lose access to her account for those two weeks - though I'm also mindful that Miss A was using this account to invest, so the restrictions didn't prevent her from carrying out essential day-to-day transactions. Revolut has paid Miss A £77.94, representing the cost of its premium plan, to reflect the stress and inconvenience it caused. It has also offered to pay a further £20. In the circumstances, I find this is a fair resolution to Miss A's complaint. I'm not going to tell Revolut to pay more

My final decision

For the reasons above, I have decided Revolut Ltd has offered fair compensation for any trouble and upset it caused. It should now pay this to Miss A if it hasn't already. I make no further award.

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

Rebecca Hardman
Ombudsman