

The complaint

Miss A complains that Revolut Ltd blocked and closed her account. And then returned funds in the account to their original sources, rather than to her.

What happened

In January 2021, Revolut carried out a review of Miss A's account.

Revolut completed its review and returned the money that had been paid into Miss A's account to the original senders of the money, rather than releasing it to her. Revolut also decided to close Miss A's account.

Miss A complained but Revolut maintained its position, so she brought her complaint to our service. Before it was investigated Revolut offered Miss A £50 for the inconvenience the review had caused, which was declined.

One of our investigator's then reviewed the complaint but didn't think Revolut had been unfair to Miss A. They explained Revolut had certain legal and regulatory requirements they had to follow, which can lead to accounts being restricted and closed. They also agreed that Revolut's terms and conditions allowed them to close the account in the manner they did and return money to source.

Miss A disagreed. She says she's out of pocket and wants the balance of her account returned to her.

As no agreement could be reached the matter 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.

Firstly, the investigator was right to point out that Revolut has important legal and regulatory obligations it must meet when providing accounts to customers. These obligations are ongoing, so do not only pertain to when an account is opened. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To comply with its obligations Revolut may need to review an account and/or restrict its customers' access to accounts and funds held within them.

Having looked at all the evidence, including how Miss A was operating her account, I'm satisfied that Revolut acted in accordance with these obligations when it blocked and reviewed Miss A's account. It was entitled to do so under the account terms and conditions. It also wasn't obliged to tell Miss A why it was carrying out a review, as much as she'd like to know. And I don't believe it would be appropriate for me to require it to do so.

Revolut was also within its rights to close Miss A's account and did so in line with the account terms and relevant regulations. So, I can't say Revolut have done anything wrong or treated Miss A unfairly when it closed her account.

The crux of Miss A's complaint is that she's unhappy Revolut returned money paid into her account to source – in other words it sent the money back to where it came from. She says her account was 'hijacked' and she didn't authorise the payments to be made. But this isn't what happened. Revolut returned payments made into Miss A's account back to source. I've looked at the information Revolut relied on to do this, and I agree that this was the right action in the circumstances. In doing so Revolut were complying with their regulatory obligations. The terms of the account also permit them to take this action. And it didn't require Miss A's authorisation. So, I won't be asking Revolut to return the money to Miss A.

In summary, based on the full circumstances of this complaint, and the evidence I've received from both parties, I'm satisfied Revolut's actions are fair. So, it follows that I won't be asking Revolut to do anything differently.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 22 April 2022.

Sharon Kerrison
Ombudsman