

The complaint

Ms C complains that Revolut Ltd blocked and closed her account. She would like the funds returned and the account reinstated.

What happened

Ms C had an account with Revolut. On 28 July 2020 Revolut blocked the account to carry out a review.

Following the review Revolut closed the account with immediate effect and told Ms C through the online app. They returned some funds to source. A balance of £155.06 remained in the account.

Ms C has told us that she was travelling abroad when her account was restricted, and she was upset and inconvenienced by the actions of Revolut. Ms C has said that she wanted to know the reason why her account was closed, and her funds reinstated.

Ms C complained to Revolut. They said they were entitled to review and close the account and had followed the terms and conditions of the account and complied with their legal and regulatory obligations. They had done nothing wrong.

Ms C complained to our service. Revolut offered £20 as a gesture of goodwill to resolve the complaint but Ms C rejected the offer.

One of the investigators looked into the complaint. She thought Revolut had done nothing wrong and had complied with the terms and conditions of the account and their legal and regulatory obligations. She thought Revolut hadn't acted unfairly when they returned some funds to source. She didn't recommend any more compensation.

Ms S was unhappy with the view she said Revolut hadn't given her a reason for the account block and closure. She had been very inconvenienced by the closure of the account and wanted compensation and the money returned.

As there was no agreement 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.

Account review and closure

I'll start by setting out some context for the review of Ms C's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These

obligations override all other obligations. I am satisfied Revolut were complying with these obligations when they reviewed Ms C's account.

I appreciate that the block on the account caused Ms C a great deal of difficulty as she was abroad at the time. I can see that in blocking the account Revolut was following an internal process which they carried out in order to comply with their legal and regulatory obligations. This was a legitimate exercise so I can't say Revolut was unfair.

Ms C was also unhappy that Revolut closed the account with immediate effect.

As the investigator explained it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

I've considered whether Revolut acted fairly in closing Ms C's account. I've looked at the terms and conditions of the account and I'm satisfied they did. The terms and conditions outline that Revolut in certain circumstances can close an account immediately. In this case Revolut closed Ms C's account without notice. For Revolut to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence I'm satisfied Revolut has applied the terms fairly. And it was entitled to close the account. Revolut had asked Ms C for details of an account so it could forward the £155.06 remaining in the account. If Ms C hasn't done so already, I would encourage her to do so.

Reasons

Ms C said she wanted to know the reasons for the review and closure of the account. Whilst Ms C may have expected to be given the reasons for the closure, Revolut isn't required to give her a specific reason for closing the account. So, I can't say Revolut has done anything wrong by not giving Ms C this information – as much as she'd like to know.

Funds returned

Revolut returned £1,000 back to source to an account with another bank. Ms C originally said she wanted her funds returned back to her. Later she said that she didn't recognise the funds and she didn't know who had paid this money in her account.

As Ms C originally said she wanted her funds returned I would have expected Revolut to have enquired of Ms C about the origin of funds received into her account in order for her to provide proof of entitlement to those funds. Revolut weren't able to provide evidence of those enquiries so I asked Ms C to provide us with proof of entitlement of funds. Ms C has now said the funds didn't belong to her and she doesn't recognise them. Ms C has provided some information about fraud occurring in her account. I am not persuaded by Ms C's version of events but in any case, as Ms C is no longer saying the funds belonged to her I won't be asking Revolut to return these to Ms C.

In summary on the evidence I have seen I'm satisfied Revolut acted fairly when they blocked and closed the account. The funds were correctly returned to source. So, I don't think Revolut have acted unfairly here and I won't be asking them to do anything. If Ms C hasn't retrieved the £155.06 remaining in her account, I encourage her to get in touch with Revolut.

My final decision

For the reasons mentioned above I don't uphold the complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 23 November 2022.

Esperanza Fuentes
Ombudsman