

The complaint

Mrs B complains that Revolut Ltd blocked and later closed her account. She would like a reason and the account reinstated.

What happened

Mrs B had an account with Revolut.

In 28 May 2021 Revolut carried out a review of Mrs B's account. It asked Mrs B for documents to show source of income and proof of entitlement to funds. Mrs B provided Revolut with some documents.

Revolut restricted the account on 14 July 2021. On 23 July 2021 Revolut decided to close Mrs B's account and gave her 60 days' notice. The account remained restricted. Mrs B withdrew the balance in the account on 27 July 2021. And the account was closed that day.

Mrs B complained to Revolut she wanted to know the reason for the account closing and she wanted the account reinstated.

Revolut said it was entitled to review the account for legal and regulatory reasons and it had given Mrs B notice of closure of the account which it was entitled to do

Mrs B complained to our service. One of our investigators looked into the complaint. He said Revolut hadn't done anything wrong when it reviewed and later closed the account. It had relied on its terms and conditions. He also said Revolut didn't have to give Mrs B reasons for the review and closure.

Mrs B was unhappy with the investigator's view. She said she had provided Revolut with all the documents they had requested. Mrs B said she has been treated unfairly by Revolut. She says she has been discriminated against by Revolut because her husband has been able to open an account with Revolut in July 2021. Mrs B has said she has suffered financial loss and stress whilst her account was blocked and subsequently due to the situation.

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.

Review and block of account

I'll start by setting out some context for the review of Mrs B'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 Mrs B's account.

I can see that in blocking the account Revolut were 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.

In addition, Clause 23 of Revolut terms and conditions allow Revolut to review an account. So, I'm satisfied Revolut acted fairly when it reviewed and blocked the account.

Account closure

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 Mrs B's account. I've looked at the terms and conditions of her account and I'm satisfied they did. The terms and conditions outline that Revolut can in certain circumstances close an account immediately. In this case Revolut closed Mrs B'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 that it has applied the terms fairly. And it was entitled to close the accounts as it's already done.

Because I think Revolut have acted fairly when they closed the account, I won't be asking them to reinstate Mrs B's account.

Reasons

Mrs B has said she wants to know the reasons why Revolut blocked and closed her account.

Whilst Mrs B 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 Mrs B this information – as much as she'd like to know.

Unfair treatment

Mrs B has said she believes Revolut have treated her unfairly. She says Revolut could have reinstated her account when her husband was applying for his new account in July 2021. She thinks Revolut has discriminated against her.

I can see Mrs B is very unhappy at not having access to a Revolut account. She feels she has provided all the information she was asked to provide. She asked Revolut to contact the company secretary of her husband's company for information about her husband and his company.

I can't comment on whether Revolut were right to open an account for Mrs B's husband and for his company. That is a separate situation which isn't the subject matter of this complaint and I haven't seen any evidence. It's a matter for Revolut who they chose to do business with. However, Mrs B is complaining that Revolut have acted unfairly when they closed her account and I have already decided that they haven't. Revolut were entitled to ask for the information they asked for in her case. So, I don't think that Revolut have acted unfairly.

Mrs B says Revolut have discriminated against her. While I appreciate this is her perspective, it is not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide this.

I have, however, considered the relevant law in relation to what Mrs B has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010. But after doing so I've not seen evidence to indicate Mrs B was discriminated against, so I haven't found that Revolut's behaviour was improper.

Impact

Mrs B has said she has suffered some financial losses and stress as a result of the block and closure of the account.

I appreciate this was a stressful situation for Mrs B. However I won't be awarding her any compensation because Revolut have acted fairly when they reviewed, blocked and closed Mrs B's account.

In summary, I know Mrs B will be disappointed by my decision but for the reasons I have mentioned above I don't think Revolut have acted unfairly when they blocked and subsequently closed her account. And I won't be asking them to do anything else.

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 Mrs B to accept or reject my decision before 28 July 2022.

Esperanza Fuentes
Ombudsman