

The complaint

P complains about Revolut Ltd's decision to review and subsequently close its account. Mr L, director of P is also unhappy that Revolut Ltd decided to return the money in P's account to the original senders.

What happened

P held a Revolut account. In September 2019, P's account was flagged for review. During the review, P's account was fully limited and the funds which were held in it were returned to the original senders.

In February 2020, Revolut finalised their review and decided to close P's account. The account was offboarded in its entirety around November 2020.

Mr L, on behalf of P, complained. He wanted to know why Revolut had made the decision they did – but most importantly, he wanted access to the money which was left in P's account. Revolut responded to P's complaint and confirmed that they were entitled to end the relationship with P and had returned the money. Revolut also said they couldn't disclose any details regarding the review or why they made the decision they did.

P brought the complaint to our service. While P's complaint was waiting to be investigated, Revolut offered P a payment of £20 as a gesture of goodwill to resolve the complaint. P rejected this offer.

Our investigator reviewed things and thought Revolut were entitled to take the actions they did – including closing the account and returning the money left in it back to source. She didn't ask Revolut to do anything differently. Mr L, on behalf of P, remained unhappy. He wanted to know why Revolut did what they did – and above all, wanted his money back.

As an agreement couldn't be reached, the complaint has been passed to me to review.

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, I'd like to make Mr L aware that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Revolut has provided is information that we considered should be kept confidential.

Revolut are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They're also required to carry out ongoing monitoring of new and existing relationships. That sometimes means they need to restrict customers' accounts – either in full or partially while they carry out their review. Having looked at what's happened, I'm satisfied Revolut was complying with their legal and regulatory obligations when they reviewed P's account. So, I can't fairly say they've done anything wrong.

I appreciate Revolut didn't tell P about the review – but they don't have to. As part of their review, Revolut made the decision to return the money in P's account to the original sources. I haven't seen any evidence to show that Revolut asked P or Mr L for detailed information about the money in the account or where it came from; but based on the information Revolut has shared with our service, I don't think it would have made a difference overall. I say that because Revolut have acted reasonably in the full circumstances of this complaint by returning the money to source. If Mr L felt P was entitled to the money – he could have pursued the original senders directly. I do appreciate returning the money to the original senders would have left P in a difficult position – it didn't have access to its money when it feels it should have. But based on the circumstances, I can't fairly conclude Revolut acted inappropriately. I appreciate one of the original sources has now ceased trading and therefore P has been left without the money altogether – but I can't hold Revolut responsible for another company's liquidation so I can't uphold the complaint on this point.

Banks sometimes choose to end their relationship with customers. This can be due to a number of reasons, and a bank isn't obliged to give a reason to the customer. Just the same as if P decided to stop banking with Revolut, it wouldn't have to explain why. Revolut can only close accounts in certain circumstances and if it is in the terms and conditions of the account. This service won't generally intervene in a bank's commercial discretion unless we think they've acted unfairly. Revolut have relied on, and complied with, the terms and conditions when closing P's account and I've seen nothing to suggest that they've made an unfair decision. So, I can't fairly ask them to do anything differently.

Overall, Revolut were entitled to review, block and subsequently close P's account - and did so while complying with the terms and conditions. I'm sorry P is left in the position it is – and I'm sorry I can't share more details with Mr L on the reasons why. But in order to uphold this complaint and ask Revolut to do something to put things right, I'd need to be satisfied they did something wrong. And having considered everything, I can't reasonably say they did.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 27 July 2022.

Hayley West
Ombudsman