

The complaint

Mr W complains Revolut Ltd unfairly blocked his account and provided him with very poor customer service.

What happened

Much of what follows repeats the background facts as set out in my provisional decision. I am repeating them now for the purposes of this final decision.

Mr W held a Revolut account. He says he used the account when he travelled. Revolut blocked the account on 25 June 2020 to carry out a review. Mr W noticed he couldn't use his card to pay for fuel while travelling. He contacted them via their messaging service on their application. Revolut failed to respond to him for nearly a month, despite Mr W sending multiple messages.

During the time Mr W awaited a response from Revolut, they completed their review and unblocked his account on 15 July 2020. Unfortunately, Mr W's card had been cancelled and he says he lost online access to his account. He says he was caused distress and inconvenience and was forced to use other services which came at an additional cost. Revolut acknowledged the service Mr W received when he contacted them was poor. So, they offered him a 12-month subscription for their premium plan for free.

During the time the complaint was with our service Revolut decided to make a monetary offer to settle the complaint, which Mr W rejected. So, an investigator went on to consider whether Revolut had treated Mr W unfairly.

The investigator decided not to uphold the complaint. They concluded Revolut were able to block Mr W's account. They have legal and regulatory obligations to meet which sometimes mean they might need to restrict an account to carry out a review. Their actions weren't unfair, so they weren't recommending compensation for losses Mr W suffered because he couldn't use or access his account.

Mr W rejected the outcome. Since this time another investigator asked Revolut to return the balance that was in his account to Mr W, which Revolut agreed to.

Mr W asked for a final decision from an ombudsman, so his complaint was passed to me to decide. I issued a provisional decision upholding Mr W's complaint, and said the following:

"Revolut blocked Mr W's account while they undertook a review. Revolut can do this, and blocking accounts to carry out a review is common practice in the industry. I have considered the basis for Revolut carrying out a review and I'm satisfied it was reasonable, and their decision to restrict Mr W from using his account was a proportionate response. Revolut have a broad range of legal and regulatory responsibilities and they were acting in accordance with them."

Mr W understandably was concerned why he couldn't use his account and he contacted Revolut through their application. But Revolut failed to respond to his repeated requests for

assistance until nearly a month later. Revolut in their final response letter acknowledged the standard of service Mr W received at that time was poor.

During the time Mr W waited for a response from Revolut, they completed their review and unblocked his account on 15 July 2020. But unfortunately, Mr W's card had been cancelled and this is why he couldn't make payments out of his account, although he did make two transfers out that same day.

I find the cancellation of the card was likely caused by Mr W. I say this because he emailed our service on 17 July 2020 saying he had tried to close his account. And I see he mooted cancelling his card when he messaged Revolut in June 2020.

I find Mr W has been caused unnecessary inconvenience and stress as a result of Revolut's failure to respond to him when they should have. Had they contacted him promptly and told him they were reviewing his account and he might be able to use his account normally again afterwards, some of his concerns may have been allayed. I find £100 is fair and reasonable compensation in this regard.

Mr W may want more than £100. But I have borne in mind that the cancellation of his card was likely caused by him, so I can't fairly conclude that any extra expense he incurred making alternative arrangements after the account was unblocked stemmed from Revolut's actions.

Revolut completed their review without undue delay, so I am not holding them responsible for financial losses and problems Mr W experienced when making alternative arrangements while his account was blocked. I was sorry to hear about how Mr W was impacted when he was travelling, but I find the block on his account was fair at that time.

Mr W wasn't able to use his Revolut account during the block or after it was lifted (presumably after the two transfers were made). And, although Mr W not being able to use his account after the block may have been caused by his actions, I don't find it reasonable for Revolut to retain account fees when it's clear he couldn't use his account. So, if Revolut charged him account fees during the block and afterwards they should refund them to him unless they have already been refunded."

Both Revolut and Mr W accepted my provisional decision. Mr W made further comment that he now uses a different account provider who provides a much better service. And he feels Revolut ought to have contacted him and asked him for information before blocking his account.

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.

I have decided to uphold Mr W's complaint for the same reasons I gave in my provisional decision. Those findings are repeated above and form part of this final decision. I'll now address the further points Mr W made when he accepted my provisional decision.

Mr W was left frustrated when he couldn't contact Revolut other than through their application. And I understand why he wanted to communicate with them differently given he was awaiting their response for some time. But Revolut's commercial freedom to decide the channels by which customers can contact them is not for me to dictate. Our service will generally not interfere with how businesses set themselves up to operate. But what I have rightly considered is the poor service he received when Revolut failed to respond to his

messages in a timely manner. I am pleased he has now found a different account provider, who he is happier with.

Mr W believes it was illogical for Revolut to block his account prior to asking for information. But I find Revolut acted reasonably by blocking the account first. One of the potential outcomes of a review might be to decide not to release funds. So, as Revolut weren't to know what the result of their review would be, by taking pre-emptive action they were mitigating against the possibility of Mr W removing his funds before they reached a decision.

Putting things right

Subject to Mr W accepting my final decision, I direct Revolut Ltd to:

- Pay Mr W £100 to make up for the impact their poor customer service had on him.
- Refund any account charges charged on the account during the block and afterwards unless they have already done so.
- Pay Mr W the account balance they are holding unless they have already done so.

My final decision

I have decided to uphold Mr W's complaint, and subject to Mr W accepting this final decision Revolut Ltd need to put things right according to my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 July 2022.

Liam King
Ombudsman