

The complaint

Mr P is unhappy that Revolut Ltd blocked and closed his account.

What happened

Mr P had an account with Revolut. In October 2020, Revolut blocked his account. It told Mr P the account was currently under review and that it couldn't disclose any details regarding the review of the account or point out a reason that raised its concern. In November 2020, Revolut completed its review and decided to close Mr P's account. At the same time, it returned funds held in the account – £192.26 – to the account it was received from.

In the meantime, Mr P had referred matters to us.

I issued my provisional findings on 24 November 2022. I said that based on what I'd seen so far I thought the complaint should be upheld. I accepted that Revolut was acting in line with its legal and regulatory requirements when it restricted Mr P's account. And I thought that Revolut completed its review without undue delay.

But I wasn't satisfied that Revolut had grounds to close the account immediately – I thought it should have given Mr P two months' notice in line with the terms and conditions that applied.

I also didn't think Revolut had cause to return the funds to its sender. Mr P has said that the payment was from someone who owed him the money. Given the time that had passed, he wasn't able to provide much additional information to support this. But he'd also shown us that he'd tried to get in touch with the sender of the funds, and, based on what I'd seen, he hadn't been able to get them back.

I said that subject to anything else Mr P or Revolut sent me, I would tell Revolut to pay Mr P the £192.26 together with simple interest – the rate is 8% a year – from 16 November 2020 until the date Mr P gets it back.

I'd found that Revolut should have given Mr P 60 days' notice to close the account. Our investigator had looked at this and recommended Mr P get £100 for the trouble and upset it caused. Mr P said he wanted more. I said that where I award compensation for distress or inconvenience, this isn't to punish the business but to reflect the impact its actions had on the customer. I didn't doubt that losing access to the account caused inconvenience to Mr P – he said that he travelled abroad and had to use another account. That said, Mr P did appear to have access to other accounts. And while he didn't have access to the money in the Revolut account, the interest I was minded to award was designed to compensate him for this. With all this in mind, I thought £100 was fair compensation for the trouble and upset Revolut caused.

I said I'd consider any further comments I received before 22 December 2022.

Revolut has replied to say it accepts my provisional decision. Mr P has told us that he'd

accept my proposed redress – but he also said he didn't think Revolut had acted professionally and shouldn't do this to its customers.

I've therefore reviewed the complaint afresh.

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.

Revolut agreed with my provisional findings. Mr P says he's prepared to accept the redress I proposed.

Mr P has also made comments about how Revolut deals with its customers more generally. In this decision, I am only looking at the individual circumstances of Mr P's complaint. And in the individual circumstances of Mr P's complaint, I think the amount I proposed in my provisional decision is fair. As I explained in my provisional decision, any award I make is not designed to punish the business but to reflect the impact its actions had on Mr P.

With all this in mind, I reach the same conclusions as in my provisional decision for the same reasons.

Putting things right

To put things right, Revolut should:

- Pay Mr P £192.26
- Pay Mr P simple interest (the rate is 8% a year) on that amount, from 16 November 2020 until the date Mr P gets it back.

If Revolut considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr P how much it's taken off. It should also give Mr P a tax deduction certificate if he asks, so he can reclaim the tax from HM Revenue & Customs if appropriate.

- Pay Mr P £100 for the trouble and upset it caused.

My final decision

For the reasons above and in my provisional decision, I uphold Mr P's complaint. Revolut Ltd should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 January 2023.

Rebecca Hardman
Ombudsman