

The complaint

Miss B complains Revolut Ltd blocked her account and gave her misleading information.

What happened

The detailed background to this complaint is well known to both parties. As such, I'll provide only an overview of the most essential facts here.

Miss B has an account with Revolut. In May 2024, Revolut decided to review Miss B's account to comply with its legal and regulatory obligations. As part of its review Revolut contacted Miss B via its in-app chat facility and asked her to provide information about her source of wealth and income. Whilst it completed its review, Revolut blocked Miss B's account.

On 1 June 2024, Revolut sent Miss B an email. The email told Miss B that Revolut needed her to provide information about her source of funds. And to avoid Revolut placing restrictions on her account Miss B would need to upload the information via the app by 22 June 2024.

Revolut also sent Miss B a message via its in-app chat asking her to provide information about her income and transactions on her account. In response, Miss B told Revolut that she'd already provided the information and that she needed access to her account.

On 2 June 2024, Miss B discovered that her account had been blocked. So, she contacted Revolut to try and find out what was happening with her account. However, Miss B chose the incorrect escalation tab while opening the in-app chat which led to the wrong department responding to Miss B about expired identification documents. Revolut realised the mistake and escalated the chat back to the correct department. Revolut then told Miss B that the information Miss B had previously provided wasn't enough and explained what it needed her to provide.

On 3 June 2024, Miss B contacted Revolut again and told them that she believed Revolut had given her until 22 June 2024 to provide the information before any restrictions were placed on her account. In response, Revolut told Miss B that during its review process, Miss B's account might be limited automatically by its systems to speed up the review process. Miss B wasn't happy and reiterated that Revolut had told her she had until 22 June 2024 to provide the information. She explained to Revolut that she needed access to her account and the block was making things difficult for her financially, which included payments being missed.

On 4 June 2024, Revolut apologised to Miss B for any inconvenience the block and review had caused. And it asked Miss B to submit the information as soon as possible so that it could complete its review. Revolut sent Miss B a further message that despite Miss B not submitting everything it had requested; it would proceed with the review based on the information Miss B had provided.

On 9 June 2024, Miss B sent Revolut another message asking for an update. Revolut apologised and said it was working as quickly as possible to complete the review. On 11 June 2024, Revolut completed its review and removed the block from Miss B's account.

Miss B complained to Revolut. In response Revolut said it hadn't done anything wrong when it had blocked Miss B's account. And it pointed out that there was provision for them to do this in the account terms and conditions. However, Revolut said it accepted the email it sent Miss B indicating a different timeframe was confusing. To put things right, Revolut offered Miss B £50 compensation for any trouble and upset this had caused.

Miss B remained unhappy and brought her complaint to our service. She said Revolut gave her incorrect information, caused her considerable upset and made managing her finances difficult. Overall, she said that she had to spend a considerable amount of time trying to sort things out. So, she wants more compensation.

After reviewing everything, an investigator thought the offer of £50 compensation was fair. They said Revolut had blocked Miss B's account to comply with its legal and regulatory obligations. And despite Revolut providing Miss B with confusing information, Revolut would still have blocked Miss B's account.

Miss B disagreed. She said Revolut's actions caused her considerable distress and inconvenience. She said Revolut repeatedly gave her misleading information. And blocked her account prior to 1 June 2024.

As no agreement could be reached 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Revolut has treated Miss B fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Miss B's submissions.

First, I want to make it clear that I understand why what happened concerned Miss B. I've no doubt it would've come as quite a shock to her, and she would've been very worried to find out that her account had been blocked. But as the investigator has already explained, Revolut has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I've considered the basis for Revolut's review and having done so I find this was legitimate and in line with its legal and regulatory obligations. So, I'm satisfied Revolut acted fairly by blocking Miss B's account. I appreciate that Miss B wants to know more about why Revolut did what it did. But Revolut isn't obliged to tell Miss B why it blocked and reviewed her account, and I don't believe it would be appropriate for me to require it to do so as much as she'd like to know.

The terms and conditions of Miss B's account also make provision for Revolut to review and suspend an account. And having looked at all the evidence, including the information Revolut has provided to our service in confidence I'm satisfied that Revolut have acted in line with these when it suspended Miss B's account. So, although I understand not having access to her account caused Miss B trouble and upset it wouldn't be appropriate for me to award Miss B compensation since I don't believe Revolut acted inappropriately in taking the actions that it did when it blocked Miss B's account.

This being said, I'm not satisfied that the service and information Revolut provided Miss B during its review process was what she could have expected. I say this because when Revolut initially contacted Miss B on 2 June 2024, it told her that she had until 22 June 2024, to provide information. And that if she didn't do so, it may limit the access to her account. Based on what Revolut told Miss B I don't think it's unreasonable that she believed she had some time to submit the information Revolut needed. However, at the time of sending Miss B this message Revolut had already blocked Miss B's account. So, I can understand why Miss B was confused. As a result, Miss B had to spend time contacting Revolut to try and find out what was happening with her account. So, I'm satisfied that Revolut gave Miss B misleading information, and that Miss B was caused trouble and upset.

I can also see from reading the transcripts of the in-app chat messages between Miss B and Revolut that there was some confusion about why Miss B was contacting Revolut – Revolut told Miss B that her identification had expired, which wasn't correct. Revolut has explained that this was due to Miss B using an incorrect tab whilst in the app chat facility. Revolut identified the mistake quickly, apologised and directed Miss B to the correct team. I think this is a reasonable way to resolve this aspect of Miss B's complaint.

I've thought very carefully about all the issues Miss B has raised regarding the actions of Revolut and their alleged impact on her. This includes reading Miss B's submissions about missed payments.

Revolut has accepted that it should have given Miss B clearer information about her account being blocked. And that its email about how long she had to submit information was confusing. To put things right Revolut has apologised and offered Miss B £50 compensation to recognise the trouble and upset its email caused her. Miss B says this isn't enough. And doesn't reflect the amount of trouble and upset she's suffered.

It should be borne in mind that this service's aim is to ensure businesses compensate consumers where things have gone wrong. This can involve consideration of a business' policies and procedures. But we're not the industry regulator – that's the FCA – and so it's not for us to punish or fine a business or require a business to change how it operates going forward.

It's clear that Miss B is unhappy with the overall level of service she's been provided with by Revolut. And with some justification, in my view. I understand that these issues have proved frustrating and disappointing for Miss B to have encountered. I'm pleased to see that Revolut eventually recognised the impact of this on Miss B. It has apologised and has offered Miss B a total of £50 by way of compensation.

I recognise that Revolut should have done better in the first place. But, the fact is, things went wrong, and that impacted on Miss B through no fault of her own. This is not the level of service Miss B would reasonably have expected to receive.

It's rarely straightforward to decide what represents an appropriate level of compensation for non-financial loss given its inherently subjective nature. Miss B, and no-one else, experienced these particular problems. I assure her I'm mindful of that.

This said, I've taken account of this service's general approach to compensation for distress and inconvenience as set out on our website. I've thought about this approach in light of the errors Revolut made and the impact on Miss B. Overall, I'm persuaded that Revolut caused Miss B loss to the extent that it was fair to have offered her some compensation for distress and inconvenience. I think a total of £50 compensation is fair taking all the circumstances into account, including the mistakes Revolut made and their impact on Miss B. So, I won't be asking Revolut to increase this amount.

In summary I realise Miss B will be disappointed by my decision. But having looked at all the evidence and circumstances of this complaint, I won't be telling Revolut to do anything more to resolve Miss B's complaint.

My final decision

For the reasons I've explained, my final decision is that I uphold Miss B's complaint.

If it hasn't already done so, to put things right Revolut Ltd should do the following:

- Pay Miss B £50 compensation for the trouble and upset caused by providing misleading information about blocking her account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 11 June 2025.

Sharon Kerrison
Ombudsman