

The complaint

Mr P complains that Revolut Ltd blocked and then closed his account. He also complains that Revolut didn't release money paid into his account to him.

What happened

On 31 August 2020, two payments were made into Mr P's account. Following this Revolut carried out a review of his account. Whilst it did this it blocked Mr P's access to his account. Revolut completed its review and returned the money that had been paid into his account to the original senders of the money, rather than releasing it to Mr P. Revolut also decided to close Mr P's account.

Mr P complained but Revolut maintained its position, so he brought his complaint to our service.

One of our investigator's looked into what had happened. And asked Mr P for some more information about the two payments made into his account. Mr P said the money was for some car parts he'd sold online. He said he'd had to recover the money himself from the buyers but couldn't provide any evidence to support what he'd said. He explained that Revolut's actions meant he had no money to pay for food, bills and got into trouble because he couldn't pay a parking fine. So, he wants compensation.

The investigator said Revolut hadn't done anything wrong by closing and reviewing Mr P's account. And sending the money back to the sources. Mr P disagreed. So, 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.

Revolut are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. Having looked at all the evidence, I'm satisfied that Revolut acted in accordance with these obligations when it blocked and reviewed Mr P's account. And it was entitled to do so under the account terms and conditions.

I then turn to Revolut's decision to close Mr P's account. Under the terms of the account Mr P held, Revolut are entitled to end the relationship. I can see that they notified Mr P of their decision, so I can't say Revolut have done anything wrong.

The timing of Revolut's actions was unfortunate. Mr P needed the money in his account to pay for a fine he'd received when he discovered his account had been blocked. He was also relying on the money in his account to be able to meet the cost of bills and to buy food. So, I can understand why he found this experience with Revolut stressful and upsetting. But as I've already explained financial businesses have a legal obligation to comply with various laws and regulations. I've seen the evidence provided by Revolut and 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, it wouldn't be appropriate to make an award of compensation for that, since I don't believe Revolut acted inappropriately and treated Mr P unfairly in taking the actions it did.

I know Mr P wants Revolut to explain why it didn't let him know it had blocked his account and why it blocked his account in the first instance. But Revolut doesn't disclose to its customers what triggers a review of their accounts. So, I can't say it's done anything wrong by not giving Mr P this information. And it wouldn't be appropriate for me to require it do so.

The crux of Mr P's complaint is that he's unhappy Revolut returned money paid into his account to source – in other words it sent the money back. I've thought about whether Revolut acted fairly in not releasing the funds to Mr P and returning them to source. In doing so, I've looked at the information provided by Revolut and what Mr P said about the two payments. I've also kept in mind that at the time Revolut gave Mr P an opportunity to show he was entitled to the money that was paid into his account. And I've noted that the investigator has also asked him for information – including that he had to go to the trouble of recovering his funds from people who'd bought car parts from him. But Mr P wasn't able to provide anything to support what he'd said.

I realise this will be disappointing to Mr P, but I'm satisfied that he's been provided with opportunities both by Revolut and this service to demonstrate his entitlement to the outstanding funds. Having looked at the information Revolut has provided, and in the absence of further information, I can't conclude that Mr P is entitled to the money which was paid into his account. So, I'm unable to conclude that Revolut acted unfairly in returning the money to the senders.

Finally, Mr P says he's unhappy that he could only contact Revolut via its in app chat facility. And says he should've been able to call Revolut. I can appreciate that not being able to pick up the phone to Revolut was frustrating for Mr P. But as the investigator has already explained, we are not the regulator of firms – so we can't tell them how to run their businesses, or how to design or implement their processes. Revolut communicates with its customers via an in app chat facility- that's how it runs its business – and we can't interfere with its commercial decisions.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 19 July 2021.

Sharon Kerrison
Ombudsman