

The complaint

Mr F complains that Revolut Ltd unfairly blocked and closed his account.

What happened

Mr F had an account with Revolut.

In August 2022, carried out a review on Mr F's account. Whilst it completed the review Revolut blocked Mr F's account, which meant he wasn't able to use the account or access any funds held in his account.

Following its review, Revolut decided to close Mr R's account. Revolut wrote to Mr R giving him 60 days' notice that it intended to close his account in October 2022.

Mr F says the block to his account was inconvenient and meant he wasn't able to cover the cost of travelling to work. He also says that when he contacted Revolut about what was happening with his account Revolut wouldn't give him any information, which he found frustrating and time consuming.

Mr F complained to Revolut. In response, it said it hadn't done anything wrong when it had decided to block Mr F's account. And it said that it had closed his account in line with the terms and conditions of the account.

Mr F wasn't happy with this response and brought his complaint to our service. He wants Revolut to provide an explanation why it closed his account, to reopen it and pay him compensation for the trouble and upset he's been caused.

One of our investigators reviewed the complaint. He thought Revolut hadn't done anything wrong when it blocked and closed Mr F's account. Mr F disagreed. He wants to know why Revolut closed his account. 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks and financial businesses 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. This means I haven't been able to share a lot of detail with Mr F, but I'd like to reassure him that I have considered everything.

Firstly, the investigator was right to point out that Revolut has important legal and regulatory obligations it must meet when providing accounts to customers. These obligations are ongoing, so do not only pertain to when an account is opened. They can broadly be

summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To comply with its obligations Revolut may need to review an account and/or restrict its customers' access to accounts and funds held within them.

Having looked at all the evidence, including how Mr F was operating his account, I'm satisfied that Revolut acted in accordance with these obligations when it blocked and reviewed Mr F's account. It was entitled to do so under the account terms and conditions. So I can't say Revolut has treated Mr F unfairly when it restricted his account.

I next turn to the closure of Mr F's account. Banks and financial businesses are entitled to decide for themselves whether to do business or continue doing business with a customer. Each financial institution has its own criteria and risk assessment for deciding whether to continue providing accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank or financial business must keep a customer. But they must treat new and existing customers fairly.

At times, following a review, financial businesses and banks sometimes choose to end their relationship with customers. This can be due to a number of reasons and a bank or financial business isn't obliged to give a reason to the customer. Just the same as if Mr F decided to stop banking with Revolut, he wouldn't have to explain why. I understand Mr F wants Revolut to explain the reason it closed his account. But Revolut is under no obligation to tell Mr F the reasons behind the account review and closure, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr F this information. And it wouldn't be appropriate for me to require it to do so.

I appreciate that it can't be pleasant being told you're no longer wanted as a customer. And I acknowledge what Mr F has said about how Revolut's actions impacted him. But Revolut have relied on the terms and conditions of Mr F's account when it decided to close it. The terms explain that Revolut can close the account with notice by providing a customer 60 days' notice. Having looked at all the information available to me, including Revolut's actions and the information it's provided I'm satisfied that Revolut's decision to close Mr F's accounts was reached legitimately and fairly. I've also reviewed the terms and conditions and circumstances of this complaint, and I'm satisfied Revolut acted in line with them, so, it was entitled to close the account as it has already done. And I won't be directing Revolut to reopen Mr F's account.

In summary, I'm satisfied that Revolut treated Mr F fairly when it blocked and closed his account.

My final decision

My final decision, is that I do not uphold Mr F's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 2 October 2023.

Sharon Kerrison
Ombudsman