

The complaint

Mr T is unhappy that Revolut Ltd took a long time to send him funds that had been paid into a closed account. He's also unhappy that it deducted a sum from the total balance and sent it to someone else.

What happened

Mr T's account was restricted in January 2023 whilst Revolut carried out a review. This was following a recall of funds claim from a different customer Mr T sold a mobile phone to.

Revolut's review led to a decision to close Mr T's account. This was communicated to him on 12 January 2023. He was told he'd have access until 13 March 2023. He was also told that any attempts to pay money into the account would result in that money being returned to the sender.

On 21 March 2023 £2,300 was credited to Mr T's now closed account. Mr T asked Revolut to send this money to him and gave details for a different account held elsewhere.

Revolut did send Mr T the money, but not until 22 June 2023. And it deducted £337 from the total it sent back. Revolut said it did so because of the earlier claim on the funds Mr T had received for the sale of the phone. That money was sent to the customer that had raised the claim.

Mr T complained about the time taken to receive his money and the fact Revolut had deducted the £337. Revolut said they'd acted in line with the account terms and conditions and that it was obliged to return the disputed funds to the sender.

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'm satisfied Revolut has acted fairly and reasonably and I'm not upholding Mr T's complaint. I'll explain why.

Mr T doesn't appear to dispute Revolut's right to suspend or even close his account. In any case, Revolut's right to do so is clearly established in the account terms and conditions. I'm satisfied, from the evidence I've seen, that Revolut acted fairly and reasonably when relying on these terms.

I'm also satisfied it was fair and reasonable for Revolut to accept the incoming payment of £2,300, even though the account was closed. This money came from a gambling website Mr T was a customer of.

It seems Mr T must have requested this withdrawal from the account he held with the gambling site. It's also reasonable to assume that Mr T knew – or ought to have known – that it was his Revolut account that was linked to that site. And so it was foreseeable that any request for a withdrawal would go back to the originating account. That is very much standard practice for a gambling site. Mr T may well have found he had difficulty in obtaining the funds in any other way.

The payment into the account was completed because of how it was made. It wasn't a bank transfer made through the faster payment system. Instead, it was initiated by the merchant as a card refund. I can then see why Revolut did accept that credit to the account and I'm satisfied it was fair and reasonable for it to do so.

Revolut knew there was a claim on the funds that had credited Mr T's account back in January 2023. That claim was outstanding as Mr T had previously withdrawn the money that was sent to him. I'm satisfied Revolut acted fairly in fulfilling that claim when the account – albeit closed – then had funds available to settle the claim. And its decision to return that money was fair and reasonable, based on the evidence it had. I don't find it needed to ask Mr T any further questions about it.

I know it took Revolut a long time to get Mr T the remaining funds. That is unfortunate, and I know Mr T has said it caused him significant financial difficulty. But I can't see any evidence of unnecessary delays on Revolut's part, and I'm satisfied it followed the correct processes in returning Mr T's funds.

My final decision

I don't uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 4 January 2024.

Ben Murray
Ombudsman