

The complaint

Ms P complains that Revolut Ltd reviewed her account and allowed £1,469 to debit her account. Revolut also closed her account. Ms P would like her funds back.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Ms P had an account with Revolut.

Revolut carried out a review of her account. On 27 July 2023 Ms P received £1,469 into her account. On 28 July 2023 the funds were returned to the sending bank.

Ms P has said these funds were her savings and that she had sold cryptocurrency on a different platform. She said the funds she had received were in return for her cryptocurrency. Ms P was unhappy that Revolut had taken money from her account, and she reported it as an unauthorised payment.

Revolut informed Ms P on 28 July 2023 that they would be closing her account. Ms P had no funds in her account – She has told us her account closed on 16 October 2023.

Revolut said in their final response that the sending bank requested the payment back and Ms P should contact them to trace the funds. They said they were entitled to close and review accounts in line with their terms and conditions.

Ms P was unhappy with Revolut so complained to our service. One of our investigators looked into the complaint. She thought Revolut hadn't done anything wrong when they reviewed her account and closed it. She didn't think they had acted unfairly sending the funds back to source.

Ms P disagreed with the view.

As there was no agreement 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'll start by setting out some context for the review of Ms P's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations. This is reflected in Revolut's terms and conditions. These say Revolut can block an account or card to meet its legal obligations and delay payments if needed to carry out further checks. I am satisfied Revolut were complying with these obligations and the terms of the account when they reviewed Ms P's account.

Revolut proceeded to close Ms P's account. It's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

Banks should, however, give reasonable notice before closing an account. Usually that means 60 days' notice, but it can be less depending on the circumstances. In this case Revolut let Ms P know on 28 July 2023 that they would be closing her account and it would be closed on 16 October 2023. So, I'm satisfied that Revolut acted fairly when it closed Ms P's account in line with its terms and conditions.

Return of funds to source

Revolut returned £1,469 back to the sending bank on 28 July 2023. Ms P has said this was money she received following a crypto currency trade. Revolut have said that the sender of the funds had requested the return of the funds. I have looked at the evidence provided by Revolut as well as the evidence provided by Ms P. Having considered this, I'm satisfied Revolut didn't do anything wrong when they returned the funds to the sending bank, so I won't be asking Revolut to do anything here.

I know Ms P will be disappointed by my decision but having looked at the evidence I'm satisfied Revolut acted fairly when they reviewed and closed Ms P's account and returned funds to the sending bank.

My final decision

For the reasons stated above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 26 June 2024.

Esperanza Fuentes
Ombudsman