

The complaint

W complains that Metro Bank PLC recorded a payment as pending.

What happened

In June 2023, W went to purchase some petrol using a Metro debit card at a 'pay at pump' station. W picked up the wrong pump, but didn't use it and was given a receipt for £0.00 for this. W then used the correct pump, paid for the petrol and received another receipt for this. When W later checked the Metro account, it showed that two payments of £100 had been taken - one had been refunded but the other remained pending.

W contacted Metro and it explained that it couldn't 'release' the payment in question until the merchant involved (the petrol station) reversed the payment at its end. Metro advised W to contact the merchant directly or to wait until the release date on the hold, at which point the payment might return to the available balance.

W wasn't happy with this and brought the complaint to this service. Our investigator found that Metro had acted fairly here. They said that the first transaction hadn't been cancelled at the point of sale and so the authorisation for it remained valid on Metro's systems. The payment was recorded as 'pending' to make sure that the money was available for the merchant to collect it. This meant that the money wouldn't technically leave the account until the money was collected, the authorisation cancelled, or the expiry date to hold the funds passed.

The investigator said that the petrol station didn't collect, or cancel the authorisation, so this is why it took as long as it did for the money to show as returned on W's account. That only happened when the relevant expiry date passed. They acknowledged W's worry and inconvenience, but didn't feel that this had an impact that meant they could tell Metro to take any further action.

W disagreed, saying that Metro acted unfairly and took no responsibility for this. W felt strongly that our investigator was wrong. So the complaint has been passed 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.

W feels very strongly that Metro has acted unfairly here. That strength of feeling is clear – but my role is to look at a complaint like this independently and impartially, taking into account what both sides have said and the information they have provided.

So I've considered all that W has said and then looked at Metro's records too. These show that a 'pre-authorised' amount of £100 was taken when W went to use the first pump. Then a further £100 was taken in the same way, but then just over £40.00 of petrol was purchased and this second pre-authorised amount of £100 was refunded. This left the first pre-authorised amount of £100 as 'pending' on W's account. This supports that the first

authorisation was never fully cancelled by the merchant and remained outstanding.

I can see why W is unhappy with this – after all, there was no purchase and £100 was marked as pending, which couldn't be spent. But then I have to consider whether it's reasonable to hold Metro liable for this and I don't think it would. I say this because the authorisation for the payment was never cancelled and this meant that it remained as an outstanding 'pending' payment. W has mentioned receiving a receipt for £0.00 – but I haven't seen this evidence, or anything to support that Metro has made a mistake here in how it dealt with the payment.

Instead, what I have seen shows that this payment was never fully processed and that as a result, Metro recorded it as pending – in line with how it deals with payments like this. This is accurate, because the way this payment was processed by the merchant meant that Metro was waiting for further instructions in relation to it. As it didn't receive them, the evidence shows that it then stopped recording the payment as pending after seven days had passed – at which point the relevant holding period for this type of payment expired. The money was then made available to W again.

I can see why W is unhappy with this, but Metro hasn't acted wrongly or unfairly here. It's the nature of this type of payment that because of how it was processed between W and the merchant, Metro was left with little else to do but to record the payment as pending for a period of time. I can't hold Metro responsible for any of the actions or advice the merchant may have given – as this complaint is about Metro's actions as a regulated financial firm.

So while I do understand W's frustration, I can't see that Metro has acted unfairly here. So I won't be telling it to take any further action.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 11 April 2024.

James Staples
Ombudsman