

The complaint

Mrs P complains about the service she received from Metro Bank PLC (“Metro”) when she was abroad and her card was temporarily blocked. She says she couldn’t access her money and received poor customer service whilst trying to discuss the issue with Metro. Mrs P wants Metro to compensate her to resolve the complaint.

What happened

On 16 August while Mrs P was abroad on the last day of a holiday Metro believed Mrs P’s account had potentially been compromised and applied a temporary block to her account.

On discovering this Mrs P called Metro and went through security and provided the information to Metro she thought she needed to have the block lifted. But this wasn’t the case, she failed security and the account had restrictions applied to it. Mrs P made further calls to try and resolve the issue but wasn’t able to have the restrictions on her account lifted until she was able to visit a branch where she could be fully verified.

Metro advised Mrs P during a call with it that it had concerns about the security of her account and so the account restrictions remained. In particular, one of the calls Mrs P made to it on 16 August was very irregular. During the call Mrs P repeated phrases which weren’t in answer to anything Metro was asking and the words were given in the same order, tone, pace and expression in her voice. Metro thought it sounded like a recording of Mrs P’s voice and so it thought her account had become compromised and wouldn’t remove the restrictions until she was able to visit a branch and it could verify it was her.

This meant Mrs P was unable to do any of the planned activities she had for the last day of her holiday and had to borrow money from a family member.

Mrs P complained about all of this to Metro. She says during the calls to Metro the staff were rude, cut her off and disconnected calls with her.

Metro agreed there were some failures in how it dealt with Mrs P such as a call being accidentally disconnected, being passed to the wrong team several times and not receiving a call back regarding her complaint. Metro apologised and offered her compensation of £75 for the distress caused. But it didn’t agree that it had made an error when it applied the restrictions to her account as it believed the account had been compromised and so in line with the terms and conditions of the account it applied restrictions to it in order to protect Mrs P’s funds.

Mrs P was dissatisfied with this and brought her complaint to this service.

One of our investigators looked into Mrs P’s concerns and thought the action Metro had taken were reasonable for security purposes and in line with the account terms and conditions. They thought the £75 compensation in recognition of the distress caused was a fair way to sort Mrs P’s issues out.

Mrs P disagreed, she says she was told twice that she could access her money since she'd passed verification, but this didn't happen. Mrs P doesn't believe the £75 compensation is enough, she thinks £350 would be fair and has asked for an ombudsman's decision on the matter.

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 hope that Mrs P won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service and I've concentrated on what I consider to be the crux of the complaint – our rules allow me to do that.

And the crux of Mrs P's complaint is regarding the service she received from Metro when it applied restrictions to her account whilst on holiday abroad. In particular, she says she was told the card block would be lifted and that the staff she spoke to were rude and purposely disconnected calls.

It might be helpful for me to say here that, as we are not the regulator, I cannot make the bank change its policies or procedures – such as when or how it invokes safeguarding and fraud prevention measures when it has concerns about transactions a customer wishes to make. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

My role is to look at problems that Mrs P has experienced and see if Metro has done anything wrong. If it has, I'd seek to put Mrs P back in the position she would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

So, the question I have to ask here is did Metro do anything wrong continuing to apply restrictions to her account following the phone calls between the Metro advisors and Mrs P on 16 August. And I don't think Metro actions were unreasonable. As I've already explained above it's not for me to tell Metro how to run its business, but I would expect Metro to have policies and processes in place to protect it and its customers against fraud – and I think Mrs P would agree and understand that.

Usually in situation like this I understand restrictions can be lifted once a customer is verified and that this can be done over the phone. But in this case having listened to the phone call between the Metro adviser and Mrs P on 16 August I don't think it was unreasonable for it not to lift the restrictions following this. She had already failed to answer the security questions and as outlined in the background it sounded like a recording of Mrs P's voice was being played as exactly the same sentences were repeated by Mrs P over and over and not in answer to any questions.

So, on this basis, I don't think it was unreasonable for Metro for the purposes of protecting its customers money, that it insisted on being able to identify that it was Mrs P in person as it couldn't do it over the phone. I also didn't hear Metro inform Mrs P that the restrictions would be lifted. But rather, what I did hear, was an adviser explain that the block had already been lifted *but* that other restrictions had been placed on her account by another department.

And while I accept Metro did on occasion put Mrs P through to the wrong department and accidentally disconnected a call, I don't agree its staff were rude. Understandably the situation was very frustrating and distressing for Mrs P, so it's possible she felt Metro was being dismissive of her needs. But I don't think this was the case, it was just trying to ensure

its security and safeguarding procedures were followed correctly. So, I think the £75 compensation Metro has offered for how some of its calls were directed is fair.

I also appreciate Mrs P is unhappy she wasn't notified of the block or restrictions before it happened. But even if she had been notified, I don't think it would've made a difference as she would've still been abroad and not able to operate the account until the restrictions were lifted. Furthermore, to ensure the safeguarding of its customers money I don't think it is unreasonable that the priority was to block the account rather than notify the customer of the actions.

So overall, although I sympathise with Mrs P - it must have been very frustrating and upsetting to have her account restricted on her last day of holiday and not being able to carry out the activities she had planned - I don't think Metro actions were unreasonable or that they treated Mrs P unfairly.

So, it follows that I think the £75 compensation offered by Metro is a fair way to settle Mrs P's complaint and I don't think it needs to do anything more.

My final decision

For the reasons I've explained, I think what Metro Bank UK PLC has already done to settle Mrs P's complaint is fair and I'm not going to ask it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 10 April 2024.

Caroline Davies
Ombudsman