

## **The complaint**

Miss S is unhappy that Metro Bank PLC sent her a notice by text that she had insufficient funds for a payment to be taken when that wasn't the case.

## **What happened**

Miss S had a safe deposit box with Metro and was making monthly payments to it from her Metro current account. In October 2023, Miss S received a text message from Metro which said that they hadn't been able to take the safe deposit box fee from Miss S's current account that month because there were insufficient funds available in the account.

Miss S wasn't happy about Metro's notification because the money to pay the fee had been present in her account at that time. And she also wasn't happy that Metro had contacted her by text message, which went against the contact preferences she'd registered with Metro. So, she raised a complaint.

Metro responded to Miss S and explained that a system issue had affected their automatic taking of the fee, which in turn had led to the notice incorrectly being sent to Miss S. Metro apologised to Miss S for this and credited £35 to her current account as compensation for any trouble or upset she may have incurred.

Metro also acknowledged that Miss S's stated preference was for contact by post but explained that their terms allow them to send notification by a quicker channel, such as by text, if they feel it's important that their customer receives the notification quickly, which in this instance Metro did. Miss S wasn't satisfied with Metro's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. During their review, Metro offered to pay a further £15 to Miss S, increasing the total amount payable to £50. Our investigator thought that Metro's offer represented a fair outcome to this complaint. But Miss S disagreed and remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

## **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.

Metro don't dispute that they made a mistake by sending the text notification to Miss S and they've explained that a system issue caused the safe deposit fee to not be taken, and that the fact that the fee wasn't taken then caused their system to mistakenly assume that the reason for this was that the funds to pay the fee weren't present in Miss S's current account. Metro have apologised to Miss S for this and have offered to pay a total of £50 to her as compensation for any trouble and upset that she may have incurred.

Miss S has explained that when she received the text from Metro, the content of it caused her both panic and distress. Miss S received the text from Metro on 19 October 2023. But Miss S had previously received a similar text from Metro the month before, in September

2023, because of the same system issue and about which she'd also complained.

Notably, Metro responded to Miss S's prior complaint on 3 October 2023 – two weeks before Miss S received the second such text notification – and provided an explanation to Miss S of what had happened as well as an apology for it. And given that Miss S had received such an explanation from Metro for the same issue before she received the later text message, I'm not convinced that it was reasonable for Miss S to have been panicked and distressed by the repeat occurrence of the earlier issue as she's explained that she was here.

Miss S is also unhappy that Metro sent her a text notification when her stated preference was for communication by post. And Miss S feels that Metro have breached her data rights by sending a notice via a channel that went against her stated communication preferences.

But this service isn't a regulatory body, and so it isn't within my remit to decide that Metro have acted in a non-regulatory manner. Such a decision would be for the relevant regulatory body – the Information Commissioner's Office ("ICO") – to make. I can therefore only refer Miss S to the ICO if she would like to pursue this aspect of her complaint.

However, it is within my remit to consider this aspect of Miss S's complaint from a more general, fairness orientated perspective. And considered from this perspective, I don't feel that Metro have acted unfairly by sending a text notification to Miss S as they did.

This is because Metro's terms and conditions – which Miss S agreed to when she engaged in business with Metro – include that Metro can send notices by text regardless of an account holder's communication preferences if they reasonably believe their customer should receive that notification quickly.

And, because Metro was acting on the belief that Miss S had missed a payment because of a lack of funds in her account, for which she may have incurred adverse credit file reporting, I feel that it was fair and reasonable for Metro to send Miss F notice of that missed payment by text. And I don't feel that Metro's reasoning in this regard is invalidated by the fact it was based on an incorrect premise.

Ultimately, having considered this complaint, I feel that the apology and payment of £50 compensation that Metro have offered Miss S does represent a fair outcome to this complaint. And this is because I don't feel that the impact of what happened here on Miss S does reasonably merit a payment of compensation beyond that amount.

All of which means that, while I will be upholding this complaint in Miss S's favour, I'll only be doing so to instruct Metro to pay the additional £15 to Miss S that they've already agreed to pay, and I won't be issuing any further or alternative instruction to Metro beyond that. I realise this might not be the outcome Miss S was wanting, but I trust that she'll understand, given what I've explained, why I've made the final decision that I have.

### **Putting things right**

Metro must pay £15 to Miss S.

### **My final decision**

My final decision is that I uphold this complaint against Metro Bank PLC on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 13 May 2024.

Paul Cooper  
**Ombudsman**