

The complaint

Mrs M complains that Metro Bank PLC gave the police incorrect information about her safety deposit box, which led to her property being seized. She'd like Metro to pay the costs she incurred recovering them.

What happened

Mrs M held a safe deposit box with Metro, in which she kept some items of hers. They were contacted by the police, who enquired if the box was still belonged to one of its previous users. Metro wrongly confirmed that it was. The police then obtained a warrant for the box, and Mrs M's items were seized. Mrs M discovered this several weeks later when she visited her Metro branch. She was told she had closed the box, which led to confusion. She says she was told by branch to contact a solicitor. She employed a solicitor to liaise with the police and explain what had happened. She later had her items returned to her.

Mrs M then raised a complaint with Metro, asking for compensation and for reimbursement of her legal costs to be covered. The bank accepted they'd made an error which had led to the warrant being issued. They offered to pay Mr M £250 in recognition of their mistake but declined to cover her costs. They said it wasn't necessary for Mrs M to employ a solicitor to recover her items.

Unhappy with this Mrs M referred the complaint to our service. One of our investigators looked at what happened, and she felt that it would be reasonable for Metro to cover the solicitor's fees. She felt that Metro hadn't provided Mrs M with enough support at the time the mistake was discovered. She didn't think employing a solicitor to deal with the police was an unreasonable course of action. She felt the compensation already offered was fair, but asked that Metro reimburse Mrs M's legal costs, along with 8% simple interest from the date of payment to the date of settlement.

Metro disagreed and asked for the case to be passed to an ombudsman. The complaint has now 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.

Metro accept that their error led to the contents of Mrs M's safe deposit box being seized. The key consideration for me is whether Metro have done enough to put things right. And on reflection I feel there is more they should have done to resolve this issue.

Metro have said that there was no need for Mrs M to get a solicitor, as they could have resolved this matter directly with the police at no cost to her. Mrs M has said that in branch she was told she should get a solicitor to help her recover her items, although Metro have disputed this. I can't know exactly what was discussed in branch, and there don't seem to have been records kept. But I think it's likely that Mrs M did express dissatisfaction that she couldn't access her box – and if Metro were to take charge of resolving this with the police

this would be the time to do it. But I've seen no indication that any help or assistance was provided, or a complaint logged. I've seen nothing to suggest Metro tried to resolve this with the police at the time.

Generally, I wouldn't expect a bank to cover legal costs if a consumer has hired a solicitor to perform a task that could be done at no cost to them – such as submitting a complaint. But I also consider that if you liaise with the police, even in the capacity of a third party, it's not unreasonable to have legal representation. It's what I'd expect a reasonable person to do to attempt to mitigate their circumstances. So, I don't find it unusual that Mrs M did this.

When something goes wrong our service's approach is that the consumer should be put back in the position they would have been in. I've reviewed the solicitor's invoice, and I'm satisfied that the itemised charges relate to retrieving Mrs M's items from the police. Overall, I'm satisfied these are charges Mrs M would not have had to pay except for the actions of Metro. On that basis, I believe it's fair for Metro to reimburse her for these. This would include the VAT so from the invoice would be £3,537.60. As she has already paid the fees, and as such has been deprived of this money it would be reasonable to include simple interest of 8% from the date of payment to the date of settlement.

I've considered the compensation on offer, and I accept this was a distressing and upsetting experience for her. I'm satisfied there was an impact on Mrs M and that it's right she gets compensated. But I also see that the issue was resolved within a month – albeit through the actions of the solicitor, rather than Metro. With that in mind I think the compensation of £250 offered is appropriate.

My final decision

My final decision is that in addition to the £250 already offered Metro Bank PLC must reimburse Mrs M the cost of her legal fees, plus 8% simple interest from the date of payment to the date of settlement.

If Metro Bank PLC considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs M how much it's taken off. It should also give her a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 20 December 2022.

Thom Bennett
Ombudsman