

The complaint

Ms N complains about the service she received from Metro Bank PLC following her request to open a business account.

What happened

Ms N banks with Metro Bank. In addition to the two personal accounts Ms N holds, around March 2022 she opened a sole trader account to use for her business. Ms N said she expected the new account to be added to her personal profile, so that she'd be able to see both her personal accounts and her business account when accessing her banking online. However, due to an IT system issue, a duplicated profile was created, and her personal profile was not linked to her business profile, and she was instead given a new personal ID. As a result, Ms N said she experienced significant problems accessing both her personal and business accounts.

Ms N asked for the profiles to be merged, but due to what Metro Bank have described as a clear lack of ownership and broken promises, this did not happen for a significant period of time, during which Ms N continued to face issues accessing all of her accounts for a number of months. She said this caused significant distress, as well as reputational damage to her business – so she complained.

Metro Bank considered Ms N's complaint, and initially offered to refund around £20 to cover any charges Ms N may have incurred as a result of their errors. They later withdrew this and replaced it with a compensatory payment of £60 which they said they credited to Ms N's account. They then offered a further £60 compensation, but Ms N declined this. She said that a compensation payment in the region of £1,500 would be a fairer resolution. She also highlighted that her access issues remained ongoing.

A further review of Ms N's complaint was carried out following her request for increased compensation; and it seems that Metro Bank were able to resolve Ms N's access issues, having merged her profiles, so that all of her accounts could be accessed under the one profile. They apologised again for the level of service provided (which they accepted fell short of what Ms N should've expected to receive), and increased their compensation offer, initially to £200, then later £250, in addition to the £60 they said they'd already paid, taking the total compensation offer to £310.

But Ms N remained unhappy with both how the original matter was dealt with, and how her subsequent complaint was managed. She said that she felt being repeatedly being told by a group of men that she was in the wrong, effectively amounted to gaslighting. So, she brought her complaint to our service.

An investigator considered the matter, and was also satisfied that Metro Bank had provided poor service to Ms N. But she acknowledged that Metro Bank had since resolved the issues with access and thought their offer of £310 was fair in the circumstances.

Ms N remained unhappy however, so the case has now 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.

Ms N's set out her position at length and I'd like to thank her for taking the time to do so. But my findings will concentrate on those matters I consider central to the outcome of this complaint. So, while I have considered everything, I may not explicitly address each and every point Ms N has made. I trust this won't be taken as a discourtesy, but reflects the informal nature of this service.

It's no longer in question that the service Metro Bank provided to Ms N fell short. Ms N has set out clearly why she felt this was, including, among other things; a lack of proactive contact from Metro Bank, the matter taking an excessive amount of time, and that repeatedly being told by a group of men that she was in the wrong effectively amounted to gaslighting.

Metro Bank have agreed that their service fell short. And, for the avoidance of doubt, in relation to the account access issues, while it seems an IT system issue was the catalyst for this complaint, ultimately I'm satisfied that Metro Bank are responsible for this issue. I'm also satisfied there were a number of opportunities for Metro Bank to resolve this issue for Ms N long before they did, and that the poor service and delays caused her considerable distress.

I'm also satisfied, based on the evidence provided by both parties, that Ms N's account access issues are now resolved. So, what remains to be decided is how I think Ms N should be compensated for the shortcomings in the service delivered by Metro Bank.

I've now listened to all of the calls provided between Ms N and Metro Bank, and it's clear throughout that both Metro Bank's handling of Ms N's initial concerns, as well as their ongoing handling of her complaint, must have caused Ms N a lot of inconvenience. I haven't set out the detail of every call here, but I can confirm that I've listened to all of the calls that were sent to our service. These include the initial concerns Ms N raised, the subsequent raising of a formal complaint, and several calls regarding updates on specific transactions. I've also listened to calls where Ms N had to chase for updates on her complaint, and calls relating to the activation of her business debit card, among others. And on nearly every call, Ms N seems to have to reiterate her complaint, and set out what happened previously.

On many of these calls, the advisors don't seem to fully grasp Ms N's concerns, or otherwise, they provide generic feedback that's not particularly useful in the context of Ms N's overall complaint. I think the whole process felt very dis-jointed, with the next advisor, seemingly not knowing, or having not checked any background notes, to understand the drawn-out position Ms N had found herself in so far.

I also note that in nearly all but a few cases, the calls were made from Ms N to Metro Bank, with there being very little in the way of pro-active updates from Metro Bank in relation to both the underlying problems Ms N was experiencing, and her subsequent complaint. I can also see Ms N raised further issues about payment of the compensation they had agreed to.

Overall, I think this would have been an incredibly frustrating position for Ms N to find herself in. And while things may go wrong with customers' accounts at times, I think the amount of time Ms N had to spend trying to fix this issue was disproportionate. And I think a lot more could've been done sooner to escalate this matter and try and find a solution to the problem. So, for these reasons, I am satisfied Ms N should be compensated.

I've also considered what Ms N has told us she does for a living, and what could be perceived as poor management of her own financial affairs could impact how she is viewed

by her clients who she supports. She's told us that she had to contact clients and try and rectify payment issues she experienced.

I've also considered Ms N's comments about the minimum wage. That being said, I've had to balance this with the fact, that while difficult, Ms N wasn't prevented completely from accessing her account information – as she was able to call in, and obtain the account information she needed, and was able to work throughout this period. But I do accept this was very disruptive for Miss N, with her having to call multiple times, and go through high volumes of transactions in order to be able to effectively manage her finances. And this would've made things particularly difficult for her.

That being said, I can see that Metro Bank have considered their position, and accept that their service fell well short of what Ms N should've expected. And following what I appreciate was a long drawn out process, Metro Bank have managed to now resolve the issues with access that Ms N experienced.

In addition to having resolved the underlying issue; and while I accept that what has happened has been particularly difficult for Ms N, and I don't take her comments made lightly, I do think the £310 Metro Bank have agreed to pay in compensation is a considerable sum.

So, while I appreciate that this may come as a disappointment, I am satisfied that the compensation Metro Bank have offered, while less than Ms N would have hoped for, is a fair level of compensation for the troubles Ms N experienced, as a result of Metro Bank's shortcomings. So, for the reasons set out above, I won't be asking Metro Bank to do any more than it's agreed to.

My final decision

Metro Bank PLC have already agreed to pay Ms N £310 in total in compensation, and I think this is fair in the circumstances.

My decision is that I uphold this complaint and direct Metro Bank PLC to pay Ms N the £310 they agreed to, if they haven't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 13 April 2023.

Brad McIlquham
Ombudsman