

The complaint

In summary, Mr H has complained that Metro Bank Plc, returned an international payment that was made into his bank account with Metro. Mr H says the sender of the payment has now become insolvent and that he can't recover the money that Metro returned. He wants Metro to pay him the money it incorrectly sent back.

What happened

Mr H was getting married abroad. In 2019 he made payments to third parties who were organising his wedding.

Unfortunately, due to the covid pandemic, Mr H's wedding was cancelled. He then spent a significant amount of time negotiating the return of his deposit. He was only able to negotiate a refund of some of the monies he paid.

Mr H called Metro in December 2020 to ask for details of his Swift code and IBAN number as he was expecting an international payment. He was provided with those details by one of Metro's representatives. He asked how long it would take for it to be received into his account. He was told it would take five working days.

On 15 December 2020 a payment of over 3,000 euros was paid into Mr H's bank account with Metro. The payment was suspended by Metro until it could verify the transaction with Mr H. Metro left messages for Mr H on 16 and 18 December 2020, asking him to contact it. Notes were left on Mr H's account profile as to what was needed from him.

But when Mr H contacted Metro, asking what had happened to his payment, he was told that there were no problems on the account and was advised to contact the sender. As the information Metro wanted hadn't been received from Mr H, Metro returned the money to the sender.

Mr H tried to get the sender of the money to send the payment again. But they refused. And Mr H has said that the sender of the payment is no longer trading.

Mr H complained to Metro. It carried out an investigation. In its response to Mr H, Metro explained by way of a summary, what had happened. It said Mr H had called Metro on several occasions between 17 December 2020 and 19 January 2021, to query the payment that had been made into his account from abroad. The call handlers Mr H spoke to, informed him that no payment had been received or was being held by Metro. It went on to say that each time Mr H contacted Metro, he was advised to contact the sender that had made the payment. As a result of Mr H being told this, Metro's customer liaison team weren't provided with the information it needed to release the international payment. Consequently, the payment was returned to the sender.

Metro went on to say that having reviewed what had happened, it regretted to confirm that its colleague provided the level of service that its customers cannot and should not expect from it. Notes had been placed on Mr H's account profile on 16th and 18th December, and Metro's colleagues should have acknowledged them when Mr H called to query the payment and the

fact that it had not been received. It apologised for the experience Mr H had and credited his account with £100 compensation to acknowledge the upset caused to him.

Mr H was dissatisfied with Metro's offer and referred his complaint to our service. When it provided its file, Metro increased its offer to £250 for the distress and inconvenience caused to Mr H.

The complaint was looked into by one of our investigators. They explained to Metro why they thought Mr H's complaint should be upheld. In essence, they said that if the call handler had checked the notes on Mr H's profile, they believed Mr H would have received the payment. As Mr H was no longer able to have the payment sent to him, the investigator was of the opinion that Metro should pay the amount of the payment to compensate him for his financial loss. They did think Mr H should have responded to the initial contact made by Metro, so they suggested a deduction of £100 from the returned payment.

Metro didn't agree. Mr H provided information which he said showed his attempts to get the money back from the party that had sent the money. This included messages between him and the sender of the payment.

The case was passed to me to review. I asked Metro and Mr H to provide further information. Metro remained of the view that there wasn't evidence that the sender went into liquidation or translations of the voice notes and messages that Mr H had relied on.

I issued a provisional decision on 5 January 2023 explaining why I was upholding Mr H's complaint in part. I asked for responses by 19 January 2023.

Mr H replied. He said that he thought Metro should pay the full amount he had lost. If there was no way he could get all of his money back from Metro, he agreed to the £500 compensation. No response was received from Metro.

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.

Having done so I remain of the opinion that Mr H's complaint should be upheld in part. I've set out my reasoning again below.

Our investigator said that Mr H was partly to blame for the payment being returned to the sender, as he didn't respond to the initial contact from Metro. I don't agree with that finding. It seems to me from the timeline and explanation provided by Metro, that it is responsible for the money being returned to the sender. I say this because Metro accepts that when Mr H contacted it, he wasn't asked for the information it needed to release the funds; as the call handler hadn't read the notes that had been made on his profile. And he was simply told to contact the sender of the payment. So, taking this into account Metro's acceptance of its failings and poor customer service, I fail to see how Mr H could be held responsible in any way for the payment being returned to the sender. I'm satisfied for the reasons I've set out above, that the payment was returned as a result of the mistakes made by Metro.

I'm also persuaded that as a result of the shortcomings in the account administration and customer service provided by Metro, Mr H has suffered some considerable distress and inconvenience. Whilst the difficulties Mr H may have had in initially getting his deposit returned weren't caused by Metro, the inconvenience he has had in trying to get the money sent again; are in my opinion a direct result of Metro's negligence in this case. I'm satisfied

from what Mr H has told our service, that he has been put to some considerable inconvenience and upset in trying to get the payment sent again. And it's perfectly understandable that he has been considerably upset that a payment of over 3,000 euros was incorrectly returned to the sender. I am satisfied that the consequences of Metro's mistakes have had a considerable impact on Mr H.

With the above in mind, I have carefully considered the £250 offered by Metro to compensate Mr H for the distress and inconvenience caused to him as a result of its mistakes. Taking into account the impact on Mr H that I've set out above, I believe that £500 is a more appropriate figure to compensate him for the distress and inconvenience caused by Metro's mistakes.

Our investigator concluded that Metro should compensate Mr H for the payment that was returned, as he is no longer able to get it from the sender. Mr H says this is because the sender is no longer trading.

I have considerable sympathy with Mr H and the position he has found himself in. Not only has he had to cancel his wedding due to the unprecedented covid pandemic; from what he's said, he seems to have also had problems in persuading the third party to make a partial payment of the deposit payment to him. And the actions of Metro, even though they appear to have been a result of a mistake on its part, haven't helped matters.

As I've already said above, I am satisfied there were shortcomings in how Metro dealt with the payment into Mr H's bank account. But I don't agree that in the particular circumstances of this complaint, that Metro should pay Mr H compensation amounting to the payment that was wrongly returned. If I were to direct Metro to refund the amount of the payment that was returned, I would need to be satisfied that it was Metro's mistake that was the sole reason for Mr H's loss. And I can't safely say that it was.

I say this because it seems to me that the difficulties Mr H had with getting the deposit returned in the first place was in essence as a result of a civil dispute between him and his wedding organiser. I don't have any direct evidence of what contractual agreement Mr H had with the wedding organiser. For example, I don't know what the cancellation terms were. So, it isn't clear as to what refund if any, Mr H was contractually entitled to.

In addition, it's not clear to me what the nature of the dispute was between Mr H and the organiser of his wedding. And it's also not clear why the wedding organiser wouldn't return all of the deposit Mr H had paid – or that it did refuse to do so. Also, the wedding organiser was able to remit the monies in December 2020, but it's not clear why it couldn't/wouldn't return the monies shortly after the payment was returned to it.

Although Mr H has provided copy bank statements for another bank account that he has, I can't safely say that the money will not be paid by a different method into another account. And it's also possible that it could be paid at some point in the future through some form of insolvency process.

Even if I were to have answers to the above issues, I don't think I can safely say that the wedding organiser refusing to resend the payment was something that was a reasonably foreseeable consequence of Metro returning the payment. I say this as normally one would expect the payer to simply send the monies again. And I think in most cases it's more likely than not that the sender would make the payment again if there had been a problem with the initial payment.

And I think given the circumstances of this case that I have summarised, the loss Mr H has suffered as a result of Metro's negligence, is too remote for Metro to be held responsible. I do understand that Mr H will be disappointed with my findings on this issue.

Putting things right

If Mr H accepts my decision – I direct Metro Bank Plc to pay him a total of £500 (inclusive of any compensation payments already made to Mr H) for the distress and inconvenience caused by its mistake.

My final decision

For the reasons I've set out above, my decision is to uphold Mr H's complaint about Metro Bank Plc in part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 3 March 2023.

Simon Dibble
Ombudsman