

## **The complaint**

Mr H complains about the accuracy of Metro Bank PLC's banking app and on-line banking and says they're responsible for his detrimental credit score.

## **What happened**

I issued my provisional decision on this complaint on 2 February 2023, and this is what I said:

*I've considered the relevant information about this complaint.*

*Based on what I've seen so far, there will be a different outcome to what our investigator proposed.*

*Before I issue my final decision, I wanted to give everyone a chance to reply.*

*I'll look at any more comments and evidence that I get by 2 March 2023. But unless the information changes my mind, my final decision is likely to be along the following lines.*

### *The complaint*

*Mr H complains about the accuracy of Metro Bank PLC's banking app and on-line banking and says they're responsible for his detrimental credit score.*

### *What happened*

*Mr H says he was expecting a refund from Company A for approximately £2189 plus some additional payments for unknown amounts.*

*In December 2021, Mr H noticed a payment for £1170.88 from company A went onto his credit card. So, he thought this was a part payment and called Metro Bank to move £1000 of this payment to his current account.*

*When Mr H saw another credit for £1170.88 on his banking app he thought the other part payment had come through, so he called Metro Bank again to transfer more money out of his credit card.*

*However, unbeknown to Mr H Company A had corrected a transaction and processed three transactions in total – two credits and one debit each for £1170.88.*

*But it wasn't until January 2021 that Mr H realised this and because he'd transferred more than the amount of the one credit, his account had a debit balance which occurred interest and impacted his credit score.*

*Also, Mr H feels there is either a fault or confusion with both his banking app and on-line banking. In addition to not seeing the above-mentioned debit his banking app is still showing his account as being in credit for £1170.88 – which is the amount of the debit adjustment. However, Metro Bank are saying this is not the true situation and advised Mr H to delete and reinstall his app and on-line banking. But, despite doing so, Mr H says this is still displayed.*

*Furthermore, Mr H thinks this could possibly be his missing credit, so he provided Metro Bank with information to investigate.*

*Mr H complained to Metro Bank. Metro Bank couldn't see they made an error as they don't inform customers of debit adjustments. They did however apologise, refund the interest and pay £20 compensation for the cash interest charges as their representatives didn't explain this.*

*Mr H complained to our service as he feels Metro Bank have treated him unfairly. This is because Metro Bank haven't provided an explanation as to the banking app and on-line banking anomalies. Also, he feels Metro Bank are responsible for his detrimental credit score, which may affect his ability to get a mortgage.*

*Our investigator didn't uphold Mr H's complaint and as Mr H remains dissatisfied and his complaint has been referred to me to look at.*

*What I've provisionally 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 have come to a different view to the investigator, and I will explain how I have come to my decision.*

*I first looked closely at the reasons Mr H's account went into a debit balance.*

*From considering submissions and listening to call recordings I'm persuaded that Mr H thought he'd received a full refund in the form of two credits from company A. And he thought his account would remain in credit by transferring out £1185.94 on 15 December 2021.*

*I analysed Mr H's credit card statement and could see that by requesting a transfer of £1185.95 his account would immediately have a debit balance of -£1170.88. So, I thought the representative should've either informed him, referred or declined the transaction. Had she informed him, I'm satisfied that Mr H wouldn't have gone ahead as he would've realised his balance and that he'd only had one credit on 15 December 2021.*

*I asked Metro Bank if they'd listened to the tape and had any comments but, despite repeated requests, I haven't received a response.*

*I also asked Metro Bank to further comment on the banking app and on-line discrepancies reported by Mr H. This is because Mr H says his actions were encouraged by an incorrect balance and seeing two credits with no debits. In the absence of any response to this question from Metro Bank, I think it likely that a fault with the banking app was a factor in Mr H's balance having a negative balance.*

*I did consider the investigator's comment that Mr H should've queried the two credits as they were the same amount, and the total was greater than the amount he was expecting.*

*However, I've considered Mr H's explanation and I'm persuaded that he didn't know the full amount being credited. Also, from listening to the calls, I'm also persuaded that he thought he'd received what he was owed by Company A and they had decided to send it to him in two separate payments. Furthermore, transferring more money out was clearly going to cause him a problem and I would've expected the representative to have pointed this out.*

*So, considering the above and screen shots of the banking app, I think it likely that a fault*

*with Metro Bank's app and on-line system led Mr H to calling Metro Bank to transfer out more money than was available. And then a subsequent failure to advise him of the status of his account, led to him going into a debit balance.*

*I then looked at the evidence Mr H presented about his problems with the banking app and the displayed credit which Metro Bank say is not the true position.*

*From analysing Mr H's statements, I can only see one credit and as Mr H hasn't been able to get Company A to verify their credits, I think the credit displayed on his app is likely to be another fault. I asked Metro Bank to comment on this together with the investigation that Mr H says they committed to. However, with no response, based on the evidence provided by Mr H, I'm satisfied that Mr H reported system issues to Metro Bank. And I can't see any evidence to show that Metro Bank have either offered him support or resolved the issue. So, considering all the above, based on the information presented, I don't think Metro Bank have treated Mr H fairly here.*

*I'm persuaded by Mr H's submissions that he's been distressed about the impact of an adverse report to credit reference agencies, and this has been over a significant period of time. Also, by not providing support to Mr H over the app and on-line system technical issues Mr H hasn't been able to rely on these important services and get accurate live updates. In addition, this has caused him to question whether Metro Bank have a credit he is entitled to, and I can't see that Metro Bank have clarified matters which has caused Mr H further frustration and distress.*

*To put things right I require Metro Bank to reverse their report to credit reference agencies. Also, they should pay Mr H £250 for the distress and inconvenience caused.*

*I appreciate Mr H will be disappointed that I'm not asking Metro Bank to pay the credit amount displayed on his banking app, however I haven't been provided with evidence that this has either been paid by Company A or credited to Mr H's account.*

*My provisional decision*

*For the reasons I've given above, it's my provisional decision to uphold this complaint and I require Metro Bank PLC to:*

- Pay Mr H £250 compensation for the inconvenience and distress caused.*

*I'll look at anything else anyone wants to give me – so long as I get it before 2 March 2023. Unless that information changes my mind, my final decision is likely to be as I've set out above.*

**Both parties responded before the deadline.**

**Metro Bank said:**

*"I can confirm that the amendment with the credit reference agencies has been done. Please note this would have had minimal impact on the customer as we did not report that the customer missed any payments or was in arrears, simply the amount for December 2021. This has been amended but may take 60 days to reflect. We agree that we could have done more to support the customer and as such we agree with the amount suggested."*

**Mr H confirmed that I had understood his situation and said:**

*"The final point I would like to make is that to this day the issue with my mobile and online banking still hasn't been fixed."*

### **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'm pleased to note that Metro Bank agree it needs to take steps to put things right and has already completed the Credit Reference Agency amendment.

As Mr H said the technical issues still haven't been fixed, I considered everything again and, as I factored in the length of time of the distress and inconvenience Mr H experienced here, I still think £250 is a fair and reasonable amount of compensation in the circumstances.

So, as there are no additional points or information, I see no reason to depart from my provisional decision which I adopt in full as part of this final decision.

### **My final decision**

My final decision is to uphold this complaint and I require Metro Bank PLC to:

- Pay Mr H £250 compensation for the inconvenience and distress caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 1 April 2023.

Paul Douglas  
**Ombudsman**