

The complaint

Mr R complains that Metro Bank PLC failed to return funds left in his account after it was closed and didn't provide a reason for the closure of the account.

What happened

Mr R says that he "emigrated" and had no intention of returning to the UK. He further stated that he wasn't in the UK for the whole of 2019 and 2020. In March 2019, a payment was received into Mr R's account for over £8,000 and the funds were spent straight away using the debit card issued to the account. Metro then received notification from another UK bank that these funds were the result of a scam. Mr R's account was blocked.

Several weeks later, Mr R spoke with Metro and told them he'd lost his debit card. Metro asked Mr R about the incoming scam payment into his account. Mr R denied knowing anything about the money or how the funds had been used (with his debit card).

Metro attempted to contact Mr R but were unsuccessful and heard nothing more. The following year they issued a notice to Mr R and closed the account.

Mr R has said that he was told the balance of the account (£63.51) was available for him to collect, but Metro later declined to refund any money to him. Mr R visited a branch of Metro and found their customer service lacking and eventually made a complaint. Metro maintained their position that they wouldn't refund Mr R and money but accepted they'd let him down with their customer service and made a £20 payment to him.

Mr R was unhappy with how Metro had dealt with his issue and brought it to the Financial Ombudsman Service for an independent review where it was looked into by one of our adjudicators. After reviewing the evidence provided by both parties, Mr R's complaint wasn't upheld. The adjudicator didn't think that Mr R was entitled to any of the remaining funds in his account because he'd denied any involvement in the scam payment.

Mr R disagreed and still thought those remaining funds should be paid to him and asked for a further review of his complaint.

When examining the statements, it was found that prior to the incoming scam payment, Mr R's balance was £14.33 and Metro were asked about this figure. They agreed to repay this to Mr R because it was present in his account prior to the scam payment.

Mr R was asked if he'd accept this figure to close the complaint but refused and insisted that he was due the final £63.51 left in the account.

Because no agreement could be reached, the complaint has now been passed to me.

I issued my provisional findings on the merits of Mr R's complaint on 10 March 2023. In my provisional findings, I explained why I intended to uphold (in part) Mr R's complaint and offered both sides the opportunity to submit further evidence or arguments in response. An extract of that decision is set out below and forms part of this final decision:

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.

Mr R's principal complaint here is that he believes he's due the final figure left in his account when it was closed. But that figure includes funds that were derived from a scam and Mr R denies any link to the scam.

Those funds came from someone else's account that was subject to fraud, so any remaining funds linked to that would ordinarily be sent back to them. As Mr R denies any knowledge of those fraudulent funds, it follows that he can't be entitled to them. But here, he's entitled to funds in his account that were present prior to the receipt of the scammed funds, which amounts to £14.33. Metro have agreed to repay them.

I think this is a fair and reasonable outcome here and it's my intention to uphold this complaint (in part) to require the repayment of the £14.33 along with any applicable account interest that may have accrued until the account was closed. If the account wasn't interest bearing then I don't consider that any should be due.

I don't think it was unreasonable for Metro to close the account the way they did and I won't be recommending any further action regards this. Metro have already provided compensation for the poor service Mr R experienced, and I think this was both fair and reasonable in the circumstances.

My provisional decision

My provisional decision is that I currently intend to uphold this complaint (in part) and recommend that Metro repay Mr R £14.33 including any applicable interest.

Metro accepted my provisional decision, but Mr R did not, believing that he was entitled to the remaining £63 left in his account when it was closed. Mr R stated that he'd been told in a letter issued by Metro that he was able to collect the remaining £63.51. Mr R also stated that he hadn't complained about the closure of his account.

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.

Whilst Mr R may have received a letter from Metro at the time concerning the closure of his account and what funds were remaining, their later decision not to pay this to Mr R is the crux of the complaint.

Having considered all the evidence, my decision remains the same. For the avoidance of doubt, Mr R can't be entitled to funds that were the result of a scam, but here he can be paid his own funds left in the account prior to the receipt of the scam payment.

I'll briefly comment on Mr R's assertion that he hadn't complained about the closure of his account. In the case notes for this complaint, Mr R's original email to our service contained the following:

"They have also given no reason to close account either."

It's apparent from this comment that Mr R was complaining about the lack of reason given

for the closure of his account, which is why it's been included here.

Putting things right

The recommendation I made in my provisional decision that Metro repay Mr R £14.33 plus any applicable account interest until the account was closed are now adopted for this final decision.

My final decision

My final decision is that I uphold this complaint (in part) and require Metro Bank PLC to repay Mr R the funds left in his account, the details of which are set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 April 2023.

David Perry
Ombudsman