

## The complaint

Mr M complains that Metro Bank PLC did not correctly process a transfer to his conveyancer to complete on his mortgage, which led to additional costs.

## What happened

Both parties are aware of the circumstances of the complaint, so I won't repeat them in detail here. In summary, Mr M telephoned Metro to set up a transfer of £74,324.73 that would act as a partial mortgage settlement as he was changing mortgage providers, but due to an error this was not processed until Mr M noticed the delay two weeks later. Mr M has said he incurred additional charges from the conveyancing company of £51.10 for every day that the payment was late after 1 November.

Metro Bank apologised and initially offered and paid £25 – however when the complaint came to our service, they increase this to £250. But they didn't agree they should refund the additional charges Mr M incurred.

Our adjudicator looked into the complaint and agreed that Metro had made an error, but they did not agree that the losses Mr M had mentioned were correct. Because of this, they felt the £250 already offered was fair redress in the circumstances.

I wrote a PD in which I explained I had not seen enough evidence highlighting what Mr M's specific losses were, so I felt the £250 compensation was fair. Mr M responded to this and pointed out specific sections of evidence that he felt quantified his loss. After reviewing the evidence again, I wrote another provisional decision in which I explained I intended to uphold Mr M's complaint in full and include the additional losses he incurred. This read as follows:

*Having reviewed the initial redemption statement with the expected redemption date of 1 November 2022, the total Mr M was required to pay was £326,741.03. Mr M has said that he incurred an additional mortgage payment on 1 November 2022 which he wasn't expecting to pay of £1,554.31, which I'll talk about in more detail later. The completion statement Mr M has provided shows the total amount that was sent to his previous mortgage provider was £326,004.43.*

*This means that the total amount paid to Mr M's original mortgage provider was £327,558.74 (which is the amount sent plus the additional mortgage payment). The difference between this and what Mr M was originally quoted by the mortgage provider as the redemption figure is £817.71. The redemption statement says that Mr M will be charged £51.10 for each day past 1 November 2022 that the payment is late. Mr M's mortgage completed on 17 November, 16 days past the original deadline, and the figures tally with Mr M incurring £51.10 for those 16 days.*

*While the value of Mr M's original transfer remained the same, it appears that his losses are in his advance and the amount borrowed from his new provider, so I'm satisfied that he has lost out as a result of the delayed transfer. And I think it is reasonable to ask Metro Bank to cover these losses entirely, totalling £817.71, as well as the £250 compensation they have recommended.*

*I don't think it is guaranteed that the additional mortgage payment Mr M incurred of £1,554.31 would not have been processed if not for the error made by Metro Bank. With this in mind, I have not included it as part of Mr M's losses.*

*I have considered Metro Bank's comments that Mr M should have checked the payment had been received by the conveyancing company, and I do think it would have been sensible to do so. However, Mr M has also said his mobile banking app was showing the payment as sent, and it was only when he logged onto his online banking that he saw it had not left his account. And it should be noted that Mr M not checking the payment had been received does not negate the error that Metro Bank made when processing the transfer. So, I think it would be fair for Metro Bank to cover all of the losses.*

*I currently intend to uphold this complaint and recommend a refund of the £817.71, plus £250 compensation.*

Mr M responded to my provisional decision and felt that £500 compensation was a more reasonable figure, given the amount of time taken to resolve the issue.

Metro Bank responded and said that Mr M would have seen on 7 November when he made a transfer that the funds had not left his account. They did not think it was reasonable that Mr M had not contacted either the recipient or Metro Bank in a timely manner, so felt they should only refund 50% of the additional cost, totalling £408.86, plus the additional compensation of £225.

### **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've considered the additional comments provided by both parties. Metro Bank says that Mr M would have seen the transfer was not completed on 7 November when he made a separate transfer on the account. However, I set out in my provisional decision that he stated his mobile banking app was showing the payment as sent, and it was only when he logged into his online banking that he saw it had not left his account. And Metro Bank have not provided any additional evidence or explanation to persuade me otherwise.

In addition, they felt Mr M should reasonably have contacted either themselves or the recipient in a timely manner. I set out in my provisional decision that while I agreed it would have been sensible to do so, Mr M had no reason to think the transfer had not been processed correctly. So, I don't agree that Mr M has been negligent and therefore contributed to his losses, and I don't agree a reduction in the refund is reasonable.

I've also taken on board Mr M's comments that he feels £500 compensation would be more reasonable. Compensation can be subjective and what might feel reasonable to one person might not feel enough to another for the exact same circumstances. On balance, I think the additional £225 is reasonable for the time Mr M spent resolving the issue with Metro Bank, and I don't agree this should be increased further.

### **Putting things right**

I now direct Metro Bank to refund the £817.71 and pay Mr M an additional £225 compensation to bring the total to £250.

**My final decision**

I uphold Mr M's complaint and direct Metro Bank PLC to pay redress as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 November 2023.

Rebecca Norris  
**Ombudsman**