

The complaint

Mr G complains that Metro Bank PLC closed his accounts without letting him know. He is also unhappy that Metro haven't provided an explanation about why it closed the accounts. He wants Metro to pay him compensation for the trouble and upset he suffered as a result of his accounts being closed. He also wants Metro to refund him the cost of travel and phone call costs.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr G had four accounts with Metro. These included two joint accounts with his daughter and a business account. This decision will focus on Mr G's complaints about his joint accounts with his daughter Miss G. Mr G's complaints relating to his personal and business accounts will be dealt with separately.

In August 2022, Metro reviewed Mr G's and Miss G's accounts. Following its review, Metro decided to close the accounts. The bank wrote to Mr G at his home address on 2 August 2022 and gave him 60 days' notice to make alternative banking arrangements.

Mr G wasn't happy with the bank's decision to close his accounts. He said that he never received the letter about closing his accounts. So, he was unaware of Metro's decision to close his accounts. And only found out when he and his daughter weren't able to use the accounts. He explained that due to the war in Ukraine he left the UK at the end of September 2022 to help move his family out of the country to somewhere safe. So, he hadn't received any letters. And he pointed out that he had told Metro that he was living abroad so he says the bank should have let him know by some other means such as via email.

Mr G asked Metro to explain why it was closing his accounts and to reconsider its decision. Metro said it wasn't willing to reopen Mr G's and Miss G's accounts and had closed them in line with the terms and conditions. Metro also said that it wasn't obliged to provide Mr G with an explanation about why it no longer wanted him and his daughter as customers.

In November 2022, Mr G contacted Metro by phone to find out how he could access the remaining funds in his accounts and asked again why the bank was closing his accounts. During the call the advisor said Mr G would have to visit a branch when he was next in the UK to access the funds remaining in his accounts. And that the money couldn't be released to him by being transferred into another account he had. She also said that she couldn't tell Mr G the reasons why the accounts had been closed.

On 6 December 2022, Mr G contacted Metro again trying to gain access to the money in his accounts. On this occasion the advisor said that she was able to transfer all the balances to an account which was already setup as a payee on his account – this was another account Mr G held with a different bank. During the call the advisor successfully transferred all of

Mr G's and Miss G's funds and told him that the funds should appear in his other account within a matter of hours – at the latest within 24 hours.

Mr G brought his complaint to this service. Mr G said that the whole experience had been upsetting and stressful for him and his daughter. He wants Metro to explain why it closed his accounts and pay him compensation. He said that he booked flights to come to the UK, and paid for a hotel, parking and spent a lot of money making calls from overseas trying to sort things out. So, he said Metro should refund him the costs of his travel and pay £2,000 compensation for the trouble and upset he and Miss G had been caused.

He also explained that Miss G relied on the funds in the joint account and because the accounts had been closed and the bank hadn't informed them, she wasn't able to go to the cinema with her friends because Metro declined payments. So, Miss G had to leave the cinema and went home alone which was upsetting for her. Miss G also tried to buy some clothes and take out cash from an ATM which again was declined because the accounts had been closed, which Miss G found upsetting.

One of our investigators reviewed the complaint and asked Mr G for some more information about how the matter had impacted him and Miss G. Mr G said he had booked flights to come to the UK on 12 December 2022, intending to fly out of the UK on the following day. He also said he had booked a hotel, paid for petrol and parking at the airport. However, when he got to the airport, he discovered that his flight had been cancelled. Mr G also said that he had to make a lot of calls from overseas. So, he said Metro should compensate him for his losses and costs.

The investigator reviewed everything. She thought Metro hadn't done anything wrong when it closed Mr G's and Miss G's accounts. She said they'd acted in line with the terms and conditions of the accounts. And she explained that Metro didn't have to provide Mr G with the reasons that sat behind its decision to close the accounts. However, she said that the service Metro provided Mr G when he called to find out how he could get access to the money in his and Miss G's closed accounts fell short – she said Metro should have told Mr G that it could have transferred his balances to him instead of telling him that he needed to come into branch to get access to his money. So, she said Metro should pay Mr G £75 compensation for giving him wrong information and taking too long to give Mr G his funds.

Mr G disagreed. He wants to know why Metro closed his accounts and said he'd made many phone calls from overseas trying to sort everything out with his accounts, which cost him a lot of money. He said he had to travel to the UK so that he could arrange to move money to his daughters account because Metro told him he had to come to a branch to access his money. So, he wants compensation for the trouble and upset he and Miss G suffered as a result of Metro closing the joint accounts and giving him wrong information.

As no agreement could be reached the matter has come 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party

has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Metro has treated Mr G and Miss G fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

Banks have important legal and regulatory obligations they must meet when providing accounts to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. It's common industry practice for firms to conduct a review on a customer and/or the activity on an account and there are a number of reasons that may prompt a review. The terms of Mr G's and Miss G's accounts also permit Metro to review an account at any time. Following a review, banks sometimes decide to close accounts. And that's what happened here.

Metro is entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions. I should also add that each financial institution has its own criteria and risk assessment for deciding whether to continue providing accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. But they shouldn't decline to continue to provide an account without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

In this instance the terms of Mr G's and Miss G's accounts say that in certain instances Metro can close the accounts with immediate notice and by providing two months' notice to a customer. And it doesn't have to provide a reason for doing so. Metro also isn't obliged to reveal the reason(s) for reviewing Mr G's accounts. But I've considered the basis for the review, including the information Metro has provided, which I find was legitimate and in line with its legal and regulatory obligations. So, I can't say Metro have done anything wrong.

I've next gone on to consider whether Metro acted fairly when it closed Mr G's and Miss G's accounts. In this case I can see that Metro wrote to Mr G on 2 August 2022, giving him the full notice period. I know Mr G has said he never received this letter. But I've seen a copy of the letter Metro sent to Mr G and Miss G, and I can see that it was sent to the address the bank held for Mr G.

I've also kept in mind that Mr G has told this service that he left the UK in late September 2022 and moved out of his home address. And I can see from contact notes provided by Metro that Mr G went into a branch in late August 2022, to try and open an account for his wife. I haven't seen any evidence that Mr G had any trouble with his post. On balance I think it's more likely than not that Mr G and Miss G did receive the letter Metro sent to them about closing their accounts. So, I'm satisfied Metro has complied with the terms and conditions of the accounts and was entitled to close them as it has already done.

I've also considered Metro's reason for closing the accounts. In doing so, I appreciate that Metro is entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Metro should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

Metro has provided some further details of its decision making process, I'm sorry but I can't share this information with Mr G due to its commercial sensitivity. But I've seen nothing to suggest Metro's decision around closing Mr G's and Miss G's accounts was unfair. On

balance when considering Metro's wider regulatory responsibilities and all the information available to me, I find Metro had a legitimate basis for closing Mr G's and Miss G's accounts and not tell Mr G why. So, I don't find Metro treated Mr G and his daughter unfairly when it closed their accounts. And I won't be asking Metro to reopen the accounts.

I understand Mr G wants Metro to explain the reason it closed the accounts. It can't be pleasant being told you are no longer wanted as a customer. But Metro is under no obligation to tell Mr G the reasons it no longer wants him and Miss G, as customers as much Mr G would like to know. So, I can't say it's done anything wrong by not giving Mr G this information. And it wouldn't be appropriate for me to require it do so.

Having looked at everything Mr G has said about his complaint, I've no doubt this was a worrying and upsetting time for Mr G when Metro decided to close his accounts. But for me to award any compensation I'd have to be satisfied that Metro has acted unfairly when it did so. Based on all the evidence, I've seen, it wouldn't be appropriate for me to award compensation since I'm satisfied Metro haven't acted inappropriately in closing the joint accounts.

Mr G has also complained about the service he received from Metro regarding gaining access to the closing balances of his accounts. Mr G says in November 2022, Metro told him that in order to get his funds he'd need to visit a branch and that it wasn't able to transfer the money to any other account Mr G had. However, when Mr G called Metro on 6 December 2022, Metro transferred the funds in all of Mr G's including the joint accounts into another account Mr G had with a different bank. The investigator said that Metro should pay Mr G £75 compensation for giving Mr G wrong information. Metro accepted it had made a mistake when it told Mr G, he had to go into a branch to get his money. And agreed to pay Mr G and Miss G £75 compensation.

Mr G says this isn't enough. He's told us that when he called Metro in November 2022, he was living overseas so he couldn't go into a branch. Mr G says as a result of being told he had to go into a branch he booked flights and hotel accommodation to travel to the UK so as to gain access to the money in his accounts, which he said he intended to give to his daughter, who was still living in the UK. Mr G has provided evidence of flights and hotel costs he says he booked for 12 and 13 December 2022, along with car parking fees that he incurred on 12 December 2022. He's also explained that his flight to the UK was cancelled. He wants Metro to refund him these costs.

I've considered the impact of Metro giving Mr G wrong information about how he could access his funds. But it appears Mr G chose to book flights and travel to the airport on 12 December 2022, despite Metro releasing having released the balances of his accounts on 6 December 2022. It's also not clear to me why he would go to the trouble of doing this instead of waiting for the outcome of his complaint that he'd raised on 22 November 2022 with Metro.

I also note that when Mr G spoke to Metro again on 6 December 2022, when his money was released, he made no mention of having booked flights. And said that he didn't know when he would next return to the UK. I think if Mr G had paid to travel to the UK solely on the basis of what Metro had told him in November 2022, I think it's more likely than not that he would have mentioned this. And I find it odd that he didn't. So, whilst I accept Mr G had to make further calls and wait for his funds to be released, I can't hold Metro responsible for any financial losses Mr G experienced as a result of planning to travel to and from the UK. I also haven't seen any evidence of Mr G's call costs. So, it wouldn't be appropriate for me to award Mr G any compensation for these costs.

Metro has accepted it made a mistake and has agreed to pay £75 compensation for any trouble and upset giving Mr G wrong information caused Mr G and Miss G. Having reviewed all the evidence, I agree compensation is appropriate. I say this because as a result of being given wrong information, Mr G had to make further calls and wait for his and Miss G's funds, which would have been inconvenient and time consuming. Metro has recognised this and agreed to pay Mr G and Miss G £75 compensation. I'm satisfied that this is a fair amount of compensation and proportionate to the trouble and upset Mr G and Miss G suffered. So, I won't be directing Metro to pay Mr G and Miss G more compensation.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint. To put things right Metro Bank PLC should pay Mr G and Miss G £75 compensation for giving Mr G wrong information about how he and Miss G could access the funds in their joint accounts.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 20 February 2024.

Sharon Kerrison
Ombudsman