

The complaint

Ms C complains about the service she received from Kroo Bank Ltd (“Kroo”) when she reported to it that her ex-partner was making payments to her and using its platform to send her messages and harass her resulting in her suffering severe anxiety.

What happened

Ms C contacted Kroo via its in-app messaging system on 4 October 2023 as her ex-partner – who she says she was in an abusive relationship with – was sending her small payments and using the description box to send her messages. Ms C wanted to know whether it was possible to stop her ex-partner from sending her money as he was harassing her. Ms C confirmed he was blocked from contacting her on all social media channels.

Kroo responded the same day and said it would look into the matter and advised Ms C to contact the police if she felt her safety was in danger.

Ms C duly followed this advice and confirmed this with Kroo the following morning. At that time Kroo said it was still looking into the matter, but then contacted Ms C that evening and explained that at present it was unable to block her ex-partner from making payments to her but that it would pass it on to the relevant team to review further and would be in touch when it heard back at which point Ms C raised a complaint.

Ms C chased the matter on 6 October and explained her ex-partner was threatening to come to her house but Kroo failed to respond. Ms C chased Kroo again on 8 October and again on 15 October stating that it had been 11 days since she first reported the issue.

Kroo responded to Ms C on 18 October saying that it was still looking into the request and suggested Ms C could look into getting a non-molestation order or that it could give Ms C’s ex-partner a warning about his account usage but not disclose the fact Ms C had contacted it.

Kroo confirmed it was looking into what it could do to block payments from her ex-partner but stated that this wouldn’t necessarily prevent Ms C’s ex-partner from sending payments from other accounts he may hold. Kroo also asked Ms C to confirm if she consents to it contacting her ex-partner in order to send them a warning regarding the payments he is sending - which Ms C declined.

Kroo accepted that it had failed to respond to some of Ms C’s messages, apologised for the distress this caused and credited her account with £75 compensation.

Ms C was dissatisfied with this and so brought her complaint to this service. Following this Kroo offered further compensation of £25 bringing the total amount offered to £100.

One of our investigator’s looked into Ms C’s concern and thought that the £100 offer of compensation didn’t properly reflect the distress caused to Ms C at an already difficult time. They thought Kroo had failed to manage her expectations properly and thought it should’ve offered additional suggestions as to what Ms C could do moving forward aside

from contacting the police and thought Kroo should increase its compensation to £300 to which Kroo agreed.

Ms C disagreed, she doesn't believe this reflects the anxiety and distress she has suffered and doesn't think it was fair of Kroo to ask her if it should warn her ex-partner to stop sending messages as it put the onus on the victim to decide the course of action of a company. Ms C has asked for an ombudsman's decision.

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 hope Ms C won't take it as a discourtesy that I've summarised her complaint in the way that I have. I've no doubt that Ms C has and still is going through a difficult time which was already impacting her and Kroo's lack of support only compounded things and made her situation worse. The background to this complaint is well known to both parties and so I don't see any merit or use in repeating it here – but a summary of the events leading to Ms C's complaint has been outlined above.

Our role is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated them unfairly. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

I should note here as we are not the regulator, I cannot make Kroo change its systems or processes – such as how payments into one's account are described or notified to the customer. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

When Ms C initially contacted Kroo about her ex-partner using its payment feature to send her messages through the description bar, I think Kroo did take the matter seriously and signposted Ms C to the relevant authorities if she was worried about her safety and then went on to investigate what it could do from its end. Unfortunately, although it can apply restrictions to accounts it currently isn't able to block customers from making payments to specific customers – its system just isn't set up for this.

So I can't say Kroo has made an error or mistake by not being able to block Ms C's partner from making payments to her and using its description bar to send her messages. And ultimately, Kroo wasn't the one committing the wrongdoing – it was Ms C's ex-partner – of who Kroo has no control over.

But that is not to say that Kroo did everything right or as it should have. It failed to return messages or keep Ms C informed and took almost two weeks to offer appropriate advice to one of its customers who had made it aware of her concerns and was vulnerable.

Kroo have already accepted its service could've been better when Ms C contacted it about her ex-partner using its payment feature to send her messages. So what I need to consider is whether £300 compensation recommended by our investigator and accepted by Kroo for the distress and inconvenience this caused Ms C is enough.

And having considered everything – and I know this will come as a disappointment – I think it is. I say this because Ms C hasn't lost out financially and although Kroo has I think failed to provide appropriate support to Ms C in a timely manner, this wasn't the start or cause of Ms C's difficult personal circumstances.

Ms C was already going through a difficult time with her ex-partner and Kroo did sign post her to one of the relevant authorities when she reported what was happening. And even though I think Kroo could've offered more support earlier than it did, it was limited in what actions it could take and I don't think besides providing Ms C's ex-partner with a warning about his account usage there is much more it could reasonably do.

I also don't think Kroo acted unfairly by asking Ms C's permission before it contacted her ex-partner, as to do so may've caused her more harm or aggravated the situation. I appreciate Ms C doesn't think the compensation is enough, but ultimately, it's not Kroo's fault Ms C's ex-partner made the decision to exploit its systems and it is not our roll to penalise or punish Kroo for its mistakes.

So on this basis I think the £300 compensation for the distress Ms C suffered as a result of Kroo not providing appropriate support sooner that it did is fair as I think the distress caused was due mainly to a third party's actions and was outside of Kroo's control.

My understanding is that Kroo has already paid Ms C £300 in compensation and as such I don't think there is anything more Kroo needs to do.

My final decision

For the reasons I've explained, I've decided that the £300 compensation already paid to Ms C by Kroo Bank Ltd is a fair way to settle her complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 16 October 2024.

Caroline Davies
Ombudsman