

## The complaint

Mr B complains Metro Bank PLC recorded a marker against him on a fraud database and closed his account. He doesn't think it's treated him fairly.

## What happened

I issued my provisional decision on this case, setting out why I didn't intend to uphold this complaint. Below is a copy of that decision.

### Copy of provisional decision

*Mr B opened an account with Metro. A few days later, in March 2024, he received a payment from a third-party, through a bank transfer. He used most of the funds the same day through several outbound payments; however, the incoming payment was later reported as being the result of a scam.*

*Metro restricted the account and requested information to support why he had received the funds. When Metro didn't get a satisfactory response, it reviewed the information it did have and decided to file a misuse of facility marker at Cifas, as it believed Mr B had been complicit in receiving fraudulent funds. It also closed the account.*

*Mr B complained that he'd not engaged in fraudulent activity – he said the payment was for a service he was arranging for someone he'd met, but this hadn't been provided due to circumstances beyond his control. He also submitted that he'd had a request to return the payment, which he'd done. Metro considered this, but didn't think it had treated him unreasonably given the information it had, although accepted there had been some customer service issues in how long it had taken it to deal with his concerns. It offered £125 to say sorry<sup>1</sup>.*

*Mr B contacted us. He said:*

- *He helped people with sponsorship and employment coming to this country and he did so with the help of a third-party agent. He'd provided screen shots of conversations about this.*
- *The payment he'd received was in relation to this. However, the person at the other end, hadn't been able to get all the money together, which meant the service couldn't be provided.*
- *Due to a misunderstanding, the person making the payment had taken the initiative to report this to their bank. But he'd since cleared this up with them and returned the payment.*

*One of our investigators looked at the case. She acknowledged what Mr B had said and provided but she didn't find his explanation plausible as to why he was expecting the payment. She didn't think he had satisfactory information to support the arrangement he'd described. Ultimately, she thought Metro's evidence was robust enough to justify the steps it had taken.*

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<sup>1</sup> Metro has informed to me that the compensation has been paid.

*Mr B didn't agree - he sent some further information. The investigator reviewed this but didn't change her mind. In line with our process, the case was put forward for a decision and Mr B was given a further two weeks to provide further evidence he wished to rely on.*

### ***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.*

*I'm sorry to disappoint Mr B but I'm not upholding his complaint.*

*The marker that Metro has filed is intended to record that there's been a 'misuse of facility' – relating to using the account to receive fraudulent funds. To file such a marker, it's not required to prove beyond reasonable doubt that Mr B is guilty of a fraud or financial crime, but it must show that there are grounds for more than mere suspicion or concern. The relevant guidance says, there must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted, and the evidence must be clear, relevant, and rigorous.*

*What this means in practice is that a bank must first be able to show that fraudulent funds have entered Mr B's account, whether they are retained or pass through the account. Secondly, the bank will need to have strong evidence to show that Mr B was deliberately dishonest in receiving the payment and knew it was, or might be, illegitimate. This can include allowing someone else to use their account to receive an illegitimate payment. But a marker should not be registered against someone who was unwitting; there should be enough evidence to show complicity.*

*To meet the standard of proof required to register a fraud marker; the bank must carry out checks of sufficient depth and retain records of these. This should include giving the account holder the opportunity to explain the activity on their account to understand their level of knowledge and intention.*

*So, I need to decide whether I think Metro has enough evidence to show fraudulent funds entered Mr B's account and he was complicit. And I'm satisfied that it has. I'll explain why by addressing what I consider are the salient points.*

*Metro has provided evidence that it received a report, saying that funds which entered Mr B's account was because of a scam. Looking at what was reported, I'm satisfied the bank was alerted to a fraud and needed to make enquiries to meet its regulatory obligations to investigate such matters.*

*I'm also satisfied Metro contacted Mr B and was clear what payment it was investigating – I've seen the notes. So, he was given the opportunity to explain things. Mr B said the payment was for a service. He's since elaborated that this was in connection with arranging sponsorship and employment for someone, but Metro says it wasn't presented with satisfactory evidence. I've thought about this and haven't found its position unreasonable, particularly considering Mr B's explanation for the payment doesn't align with what's in the fraud report. The report states that the payment was in relation to obtaining a mortgage.*

*Ultimately, my role is to look at what both sides have provided and consider the weight of the evidence. Here, although Mr B has attempted to explain things, the information isn't in my view satisfactory. There are significant discrepancies. Whilst I understand he's returned the money; this doesn't change the nature of the report that was made to Metro and the fact there's nothing to show that the reporting bank withdrew the claim. In conclusion, I'm*

*satisfied Metro had enough information to support the marker and close the account (there's provision for this within the account agreement). It follows that I won't be asking the bank to do anything.*

### ***My provisional decision***

*My provisional decision is that I don't uphold this complaint.*

### **Responses**

Metro responded to say that it didn't have anything further to add.

Mr B didn't accept my decision. He said he was shocked but then not shocked. During the dispute about the payment, he recalled the party sending the funds had said that she'd had someone else's account closed. He didn't think there was a shred of evidence that the payment related to a mortgage, and he'd have to take Metro to court. He added he still didn't have access to his phone but would try to see what he could add to support his case by the deadline.

### **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.

Having done so, I've decided to adopt my provisional decision in full as part of this final decision. Mr B is unhappy with the outcome, which is understandable, but he hasn't given me any compelling evidence to demonstrate the funds had been legitimately obtained. I've not received anything further since the deadline expired.

All things considered, I remain satisfied Metro had enough information to support the fraud loading and closure of the account. It follows that I won't be asking Metro to do anything more to resolve this complaint.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 November 2025.

Sarita Taylor  
**Ombudsman**