

The complaint

Mr B complains that Metro Bank PLC irresponsibly lent to him.

What happened

Mr B applied for a Metro credit card in March 2024, and his application was accepted with a £4,000 credit limit. Mr B says that Metro irresponsibly lent to him, and he made a complaint to Metro.

Metro did not uphold Mr B's complaint. They said that Mr B declared a net monthly income of £2,800 and he had enough disposable income to meet his repayments. Mr B brought his complaint to our service. He said he never earned £2,800 a month, so Metro had based the lending decision on incorrect information. He also told us he tried to make token payments to his account, but Metro wasn't accepting these token payments.

Our investigator did not uphold Mr B's complaint. He said that Metro should have completed further checks, but further checks would have shown the lending was affordable for Mr B. Our investigator said that Metro did not respond to two emails Mr B sent them as they were sent to an incorrect email address, but he did get a response from Metro to speak to their specialist customer support team when he reached out via a different email address. He said while Mr B spoke to the relevant team on 30 July 2025, he had not provided us with any of the documentation he sent to Metro after this call.

Mr B asked for an ombudsman to review his complaint. In summary, he said Metro's own response letter stated they approved the credit on the basis that he was earning more than he actually was, and his bank statements prove this wasn't accurate. He said If Metro had carried out proportionate checks, they would have seen that the income they relied on was wrong and that the credit was not affordable. Mr B said proportionate checks would have identified the incorrect income figure and corrected the affordability assessment at the point of lending. He said he didn't believe it was fair or reasonable to conclude that the outcome would have been the same, nor that Metro's lending decision could be considered responsible.

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.

Firstly, I'm aware that I've only summarised Mr B's complaint points. And I'm not going to respond to every single point made by him. No discourtesy is intended by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

Before agreeing to approve the credit available to Mr B, Metro needed to make proportionate checks to determine whether the credit was affordable and sustainable for him. There's no prescribed list of checks a lender should make. But the kind of things I expect lenders to

consider include - but are not limited to: the type and amount of credit, the borrower's income and credit history, the amount and frequency of repayments, as well as the consumer's personal circumstances. I've listed below what checks Metro have done and whether I'm persuaded these checks were proportionate.

I've considered what Mr B has said that Metro's response to him stated they approved the credit on the basis that he was earning more than he actually was. But Metro's final response does not state this.

It does show the income figure they used in the affordability assessment though. And the figure used was £2,800 net a month. While Mr B disputes this figure, and he says he never earned this amount, this was the figure which was input on the application form. There is a signature showing on the application form, and there is a note to show photographic identification is a match. So unless Mr B didn't check the details of the application form, it's not clear why he would have agreed to what the application said.

But Metro actually did complete a further check here. They can receive information from a Credit Reference Agency (CRA), who can verify income crediting an account, such as Current Account Turnover (CATO), which is an industry standard way of assessing income. And the CRA verified the £2,800 a month.

So Metro did complete further checks on the income, even though they had a signed application form stating income of £2,800. So it wouldn't be proportionate for Metro to have made further checks for the income based on what had been agreed Mr B's income was and a CRA verifying this.

Metro did use this figure in an affordability assessment, and I can't say they were unreasonable to do so based on the reasoning I've provided in this section. They used modelling and information from the CRA to assess Mr B's outgoings, and this showed Mr B would be able to sustainably afford repayments for a £4,000 credit limit.

But this doesn't mean I don't think further checks were needed by Metro. While they've said Mr B's credit file was not showing any defaulted accounts or any accounts in arrears at the time of the checks, they have admitted that Mr B had been in arrears in the last 3-6 months, albeit these were now cleared.

Metro haven't expanded on the arrears Mr B had been in within the six months prior to the checks, and they can't due to the application automatically accepting. But Mr B has been able to provide a copy of his credit file. The copy of his credit file is with a different CRA than the CRA that Metro used, so there could be some discrepancies (eg depending on different CRA's update a credit file, if different lenders don't report all of the accounts to all of the different CRA's etc). But generally, I would expect the information to be similar.

Mr B's credit file does show he had arrears on accounts within the six months prior to his application, with him sometimes two months in arrears. So it is for this reason that Metro should have made further checks to ensure that Mr B could afford sustainable repayments for a £4,000 credit limit.

There's no set way of how Metro should have made further proportionate checks. One of the things they could have done was to contact Mr B to ask him why he had been in arrears recently, and to ask for his outgoings as opposed to modelling them. Or they could have asked for his bank statements as part of a proportionate check to ensure the lending was sustainable and affordable for her.

Mr B has forwarded his bank statements for two accounts leading up to this lending decision.

While I've explained the reasons why Metro didn't need to make further checks on the income, I wouldn't expect them to ignore any discrepancies either. Mr B's salary ranges between just under £1,800, and just over £2,100. So at this point they would have been aware Mr B didn't earn what was agreed on the application form.

But this in its own right does not mean that Metro would or should have declined his application based on the actual salary being different to what had been signed for on the application form. I say this as the checks were needed to see if the repayments for a £4,000 credit limit would be sustainably affordable for Mr B.

So that is why it would be proportionate for Metro to make further checks. Mr B's bank statements show both of his accounts are typically well run for the three months leading up to this lending decision. There were no returned payments/direct debits, he often had a three figure credit balance, and he had enough disposable income in order to make non-priority expenditure.

So if Metro would have made further checks, I'm persuaded that they would have still approved the £4,000 credit limit, and they would have made a fair lending decision in doing so.

I've considered what Mr B has said about the token payment he's tried to make. As it's already been explained to him, he had sent emails to an incorrect email address, so I can't fairly say that Metro had ignored him here, as it doesn't appear they received the emails, as they weren't addressed to a functioning email address.

But I can see that Mr B had a response when he emailed a different email address. The individual advised how Mr B could get a copy of his credit card application form, and they included the email address for Mr B to obtain this. They also advised Mr B to speak to their Specialist Customer Support Team regarding any financial difficulty he was currently having.

This is what I would expect to happen here. I say this because the specialist team would be the best placed team to see how they could assist Mr B. I have listened to a phone call Mr B had when he spoke about putting a token payment plan in place. Mr B tells the call handler he has spoken to a debt management charity.

The call handler tells Mr B in order for them to set up the token repayment they need a copy of the income and expenditure form, but if he hasn't got a copy of it, then he can arrange a call for him. The call handler tells Mr B the email address he needs to send the form to. And the call handler informs Mr B that it could lead to the credit card defaulting. He asks Mr B if this is ok, and Mr B says "yeah".

The call handler says once they've received the email could Mr B give them a call, and Mr B says "ok". The call handler explains the default process after Mr B questions this. Mr B asks about the interest being frozen while his complaint is with our service, and he's told the interest won't stop, but once he sends the income and expenditure form, this is something they can look into.

Although Mr B says he will send the email across, I've not seen any evidence that he did this. And Mr B told us that *"At the time Metro requested an expenditure form, I was in significant financial difficulty and was overwhelmed by the situation. As a result, I did not complete it. However, this does not change the fact that I attempted to engage with Metro and make a token payment, which was not accepted"*.

While I can empathise with the position Mr B found himself in here, he was aware from the phone call that Metro needed the completed income and expenditure form, which he agreed

to send. While I understand the reason for Mr B not sending this, I would not expect Metro to put in place an agreement without being fully aware of Mr B's income and expenditure, so I can't fairly say they treated him unfairly here. Metro isn't required to suspend interest just because a complaint has been brought to our service, even if a borrower requests them to.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I can't conclude that Metro lent irresponsibly to Mr B or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

I do not 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 18 February 2026.

Gregory Sloanes
Ombudsman