

The complaint

A limited company, which I'll refer to as P, complains that Metro Bank PLC failed to amend P's bank mandate, resulting in it losing access to its account for over a year.

This complaint has been referred to us by P's current sole director, who I'll refer to as Mr A.

What happened

Briefly, P had had two directors since 2019, but its bank mandate at Metro gave only one of them powers to act. In 2024, this director (who I'll call the "former director") resigned and P attempted to get the mandate changed.

The circumstances of what followed with Metro are well known to both parties and are not materially in dispute, so I won't repeat them again here.

Metro has apologised for its poor service in relation to the mandate and paid P £500 in compensation, as well as reversing the default of P's bounce back loan and amending its credit file.

P says £500 is not proportionate to the harm caused during a 13 month delay and has claimed for around £122,000 of consequential losses, including lost Amazon revenue, lost growth and lost expansion and damage to its credit/denial of finance.

I issued a provisional decision on 29 January 2026, in which I concluded that Metro should pay an additional £500 in compensation for the disruption it had caused, taking total compensation to £1,000. I did not uphold the claim for consequential losses. I said:

In order to consider the loss for which P claims compensation, I need to look at whether the bank's acknowledged failures actually caused these losses. If they did cause them, I'd also need to ask whether it would be fair to hold the bank responsible for the losses. To do this, I'd need to ask whether the bank could reasonably have foreseen that its actions would result in losses like these. In other words, I'd need to be satisfied the losses weren't too remote from the bank's failings.

P's entire claim rests, in my view, on it being locked out of its Amazon account. I say this because P had another bank account, so losing access to the Metro account in and of itself did not prevent P from trading. It did prevent P from paying its bounce back loan, but I consider Metro has done enough to put this right and I think P accepts that.

P's director has explained that, whilst Amazon continued to sell its existing stock, P didn't have access to Amazon Seller Central (because the former director had sole log-in rights) and couldn't therefore amend its bank account details to a different bank account. So it couldn't access any sale proceeds and it therefore didn't restock. P says 70% of its sales generally come from Amazon and the situation caused a catastrophic drop in these sales.

P has referred to the “but for” test in its submissions, which involves comparing what actually happened with what’s likely to have happened if the bank hadn’t made errors. P believes, as I understand it, that but for the bank’s mistakes, its trading would have improved, it would have had no credit issues and wouldn’t have had to make redundancies. But I am not persuaded that the consequential losses P claims for are the result of Metro’s actions. It’s possible that they may be the result of its Amazon problems, but I don’t think these flow from Metro’s errors. I’ll explain why next.

Companies change directors/owners all the time and there are steps that must be taken. These steps need some planning, in my view, to ensure that the implications for all areas of the business’ activity are considered. In P’s case, Amazon sales are its main activity so I would have expected it to prioritise ensuring Amazon continued to operate smoothly and the remaining director had full access to Seller Central.

I appreciate that making changes to Amazon accounts can result in delays and reverification processes (and I have noted P’s evidence regarding its experience with EBay in this regard), but I do not consider that adding a company director should be unduly problematic. And it seems to me that if Mr A had had access to Seller Central, he could have changed the bank account and avoided P’s problems. I also note that Mr A had been a director of P for over five years so there was plenty of opportunity to prevent this issue occurring.

I have concluded that the problems with Amazon were a separate problem, also linked to the former director’s departure, but not caused by Metro’s errors. I don’t think it would be fair to hold Metro responsible for something that could have been avoided.

P has further said that its former director refused to update her details on Amazon or tell the new director her password until the issues with Metro were resolved. Our investigator characterised this as an “internal” dispute, which I agree is not correct. I can understand the former director’s reluctance to risk acting as a director when she no longer was one. However, I think the problem of having only one director with access to the Amazon account could and should have been anticipated by P and resolved before the problem with Metro. Even if it hadn’t been anticipated, then I think it could have been resolved in the period in early 2024, when the former director was reinstated as a director for a period.

I also don’t think that the former director refusing to co-operate is an event that Metro could reasonably have foreseen.

I have set out in some detail my thinking on why the Amazon sales claim is too remote from the bank’s errors, as I think this is the pivotal one from which most of the other claims listed above flow. I can assure P’s director that I have considered each of the claims listed above carefully, but I’m afraid I don’t intend to uphold any of them. I won’t discuss each one individually in detail here, but I agree with our investigator’s comments in all cases. I haven’t seen compelling evidence for any of the other losses (except the Amazon advertising costs) and I haven’t been persuaded that any of them were the result of Metro’s errors with the mandate.

Our investigator felt that P should have done more to mitigate its losses. I do understand P’s argument that once its former director had ceased to be willing to help in any way, there was not a lot more P could do to mitigate the Amazon sales situation. And I also note that P did pivot to a new form of sales activity to try and generate some income. But as I’ve explained above, I think the problem here is less about mitigation than about causation.

As well as resolving the default on the bounce back loan, Metro has paid P £500 in compensation. We publish information about our approach to awards for distress on our website at <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>. Having considered this, I think Metro's errors, and the time taken to sort them out, would have caused serious disruption to P's everyday operations over a prolonged period. I currently intend to direct Metro to pay an additional £500 compensation for this inconvenience.

Metro accepted my provisional decision. Mr A provided what he called extra clarification and context for my consideration, although he said it didn't introduce any new complaint points or evidence.

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'm sorry to disappoint Mr A but in the absence of any new evidence, I haven't changed my provisional view. It's not in dispute that Metro's customer service was very poor here. It should not have taken 13 months and many branch visits to update a mandate. But I still don't think that the sales problems flow from the issues with changing the bank mandate. So I don't think I can fairly direct Metro to cover P's consequential losses.

P acknowledges that it made the decision to prioritise the bank mandate over making any changes to any other platforms, even though 70% of its sales came from Amazon. Even when the former director was reinstated as a director for a period, there was no attempt to add Mr A to Amazon Seller Central. My conclusion is that this then backed P into a corner, where it needed to sort out its bank mandate first. But I think this was avoidable. I don't think it was reasonably foreseeable that P, an established company with multiple directors (up until January 2024) and multiple bank accounts, would end up virtually unable to trade.

I note Mr A's clarification that the former director resigned unexpectedly due to a health issue. But I don't think that changes my conclusion that the Amazon problem was separate and not attributable to the bank mandate delays. Even if the former director departed with no notice at all, then the problems could have been avoided if both directors had access to Seller Central, which could have been implemented at any point in the five years prior to the former director's departure. And in any case, the former director was reinstated as a director in March 2024, so it could have been sorted out then.

For these reasons, I remain unconvinced that the consequential losses P suffered were the result of Metro's delays with the mandate.

Putting things right

P mentioned in its response to my provisional decision, that Metro has not paid it the £500 compensation originally offered. Metro has previously given the impression that it had been paid. I haven't seen any evidence to clarify this. So, to be clear, I am directing Metro to pay £1,000 total compensation for its errors in this case. Naturally, if the bank has already paid £500, then it need only pay £500, in which case it should provide evidence of when and how the first £500 was paid.

My final decision

I uphold this complaint in part and direct Metro Bank PLC to pay £1,000 total compensation

for the disruption it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 19 March 2026.

Louise Bardell
Ombudsman