

The complaint

Mr D complains that Metro Bank Plc (as the recipient bank) didn't do enough to prevent him from losing money to what he says was a scam.

Mr D has used a representative to bring his complaint. But, for ease of reading, I'll mostly just refer to Mr D where I also mean his representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. Mr D says that he used an individual I'll refer to as Mr M as an accountant. He says Mr M managed his complex international tax affairs for him for a number of years. Mr D describes that he would make payments to accounts Mr M held with Metro Bank to both pay for the accounting work and for Mr M to settle his tax bills on his behalf. Broadly speaking this arrangement was in place for a number of years between 2019 and 2023. He would meet Mr M yearly to discuss his finances and believed everything was in hand. He also says that he entered into an investment offered by Mr M.

Mr D is disputing a large number of payments made between October 2019 and October 2023. Two of these payments were sent to 'H' (a limited company that Mr M was the sole director of) and the rest were to his sole trader account. Both those accounts were provided by Metro Bank.

Mr D says that in September 2023, the tax authorities in the country he'd been working in recovered money owed from his bank account. He then says he realised that Mr M hadn't been correctly paying his taxes as he'd purported to. Initially Mr M told Mr D he would put things right, and he made several payments in this regard. But ultimately, the larger promised payments never materialised. Mr D believes he's been scammed and that Metro Bank failed in various ways by opening and operating the accounts he paid.

Metro Bank didn't agree they'd done anything wrong and didn't offer any redress. The matter was referred to our service and one of our Investigators didn't think we could consider all of the complaint points raised. She pointed out that Mr M's limited company account had been opened before our jurisdiction to consider such complaints came into effect. And for what she could consider, she didn't recommend that the complaint should be upheld. Essentially, she wasn't persuaded Metro Bank were responsible for any losses. Mr D disagrees and has asked for an Ombudsman to review his complaint.

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 reached the same outcome as our Investigator and for broadly similar reasons. I know this will be disappointing for Mr D, so I'll explain why.

Firstly, there is some complexity here as I'm aware that Mr D made payments to Metro Bank accounts controlled by Mr M from his sole account and joint account (with Ms D) and also that he likely paid accounts held with banks other than Metro Bank. This decision is solely in relation to the payments made to relevant Metro Bank accounts from Mr D's sole account.

I'll deal with each account in turn.

Mr M's sole trader account (ending 2632)

Some of the payments highlighted in Mr D's letter of complaint don't directly correlate to payments I can identify arriving into this account. It also isn't my role to go through all the statements on behalf of Mr D with a view to establishing his loss.

However, as an example, the 2022 statements for the Metro Bank account show over £42,000 crediting from Mr D and over £15,000 which seems to credit from both Mr and Ms D meaning a total of nearly £58,000 being paid from Mr D and or Ms D into that account. And in the same calendar year there are outgoing payments which appear to be to tax authorities on behalf of either Mr D, Ms D (or both) which total around £175,000. I appreciate the position might be different when other years are taken into consideration that overall, Mr D may still be at a loss. But the above does call into question the exact nature of the loss suffered. This is especially the case when the accountholder also made payments of around £35,000 towards putting any loss right in 2024.

I've thought about whether the payments in the account statements only appear to go to tax authorities, and the possibility of them being dishonestly sent elsewhere with the intention of making it look genuine. However, the documents from the tax authority that Mr D has shared, don't support that being the case. There is evidence of deposits into his tax account of €20,000 on 25 October 2022 and there is a corresponding outgoing payment of £17,930.79 (which would equate to the same amount once converted) from Mr M's sole trader account. Similarly, there is a €14,000 deposit into the tax account on 16 February 2023 and this too corresponds to equivalent outgoing payments, marked as intended for the tax authorities on Mr M's sole trader statements. There are also other examples of payments being made which also correlate in the same way. So, I think it's more likely than not that at least some genuine payments were made towards Mr D and Ms D's tax affairs

Overall, there are some question marks in my mind as to whether it can fairly be said that Mr M intended to defraud Mr D when accepting payments from him, or whether this is a case of poor business practice or incompetence resulting in a dispute and loss. If there was no 'scam' to protect against, then there isn't a basis upon which I could expect more from Metro Bank here. And in any case, I'm not persuaded that Mr D has clearly set out his loss in relation to the funds he paid. But even if I set all these issues aside and assume that Mr M had dishonest intent from the start and that Mr D could evidence and quantify his loss, for the reasons I'll come to, it still wouldn't change my mind as to the outcome of this complaint.

The account ending 2632 was opened in September 2020. I've seen evidence of a valid identity document taken at the time and it was opened as a sole trader business account. I've also seen evidence of the checks conducted by Metro Bank and I don't think there were any failures in relation to their opening of the account or that Metro Bank could've foreseen at that time it would later go on to be used in connection with an alleged scam.

The activity on the account itself, also wasn't outside what I think would be expected for a business of this type. There were payments received from individuals and payments made

internationally which appear to be towards the payment of taxes in the names of those who had credited the account. This is in line with the stated nature of business for Mr M. So I agree with our Investigator that firstly the payments wouldn't have seemed suspicious or indicative of a potential scam. And even if Metro Bank had intervened in the account (accepting that many payments were indeed most likely made to tax authorities) I've no doubt that the accountholder would've been able to provide sufficient evidence to satisfy reasonable enquiries from the bank. It follows that I don't think there were account monitoring failures which are causal to any loss suffered by Mr D.

I've also not seen evidence to support that Metro Bank were put on notice of a problem with the payments received from Mr D until his complaint was received in February 2025. I don't think it was unreasonable for Metro Bank to refer Mr D to his own bank in the first instance (as is industry practice). So I'm also not persuaded that Metro Bank acted unreasonably with regards to any potential recovery from the account.

H Ltd's account (ending 6002).

I've only been able to identify two payments that Mr D made into this account. These are €4,212.80 and €22,587.90 on 1 October 2019 and 10 December 2021 respectively. But there are then broadly corresponding payments of €4,012.80 and €22,587.90 back to Mr D with references of 'refund' which both took place shortly after the incoming payments. Clearly there is a €200 difference in the refund for the earlier payment compared to the refund provided which is the only loss I can see in relation to payments to this account.

But irrespective of the value of any loss our Investigator has already explained that under our jurisdiction rules we can only make a finding as to an act or omission by Metro Bank that took place on or after 31 January 2019. So I can't comment on Metro Bank's actions when opening this account as that took place before that date. And for what I can consider, my reasons are the same as those I've set out above for the account ending 2632. Even if I were to accept Mr M's dishonest intent, the activity was in line with what would be expected for a business like H Ltd and even if I were to say Metro Bank ought to have intervened in the account, I think Mr M would've had sufficient evidence to satisfy any reasonable level of enquiry that could fairly have been expected. So I don't think there were account monitoring failures which could be said to be causal to any loss suffered. The position with recovery efforts from this account is also the same as I've set out above.

Summary

Mr D also mentioned an 'investment' offered by Mr M to which he paid £50,000 in May 2023. But the agreement he's shared in this regard indicates that his payment was to be made to a bank that wasn't Metro Bank. And I can't see an equivalent payment into either Metro Bank account around that time. And the nature and his allegations about this 'investment' have been considered but don't change my mind with regards to conclusively evidencing Mr M's intent or the overall outcome of this complaint.

Mr D may still be at a loss as a result of his dealings with Mr M, but as I'm not persuaded this is something Metro Bank can fairly be said to be responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

My final decision

For the reasons outlined above, 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 D to accept or reject my decision before 13 April 2026.

Richard Annandale
Ombudsman