

The complaint

Mr and Mrs P complain that due to a technical error on Metro Bank PLC's ("Metro") behalf three separate authorisations of £170 were confirmed on the same day for the same merchant, yet only one was legitimate resulting in financial difficulties and significant stress.

What happened

On 19 December a holiday camp merchant sort authorisation for three separate payments from Mr and Mrs P's account for £170 verifying Mr P's card was valid and had sufficient funds to cover a purchase.

Mr and Mrs P's statements show only one of the payments debited their account on 23 December 2025, but the other two remained pending reducing their available funds.

Mr P raised a complaint with Metro regarding the pending transactions stating that Metro has a statutory duty to release the funds immediately. Mr P asked Metro to either release the funds or provide emergency funds of £340 and £150 compensation for the distress and inconvenience this caused.

Metro didn't agree it had made a mistake and explained that the payment was requested three times by the merchant and only the merchant could reverse the payment or Mr and Mrs P could wait to the end of the pending period. But as a gesture of goodwill Metro credited their account with £50.

Mr and Mrs P were dissatisfied with this and so brought their complaint to this service.

Since bringing their complaint to this service the two pending transactions of £170 have been reversed but having recently switched accounts Mr P says one of the reversed payments received is less than expected at £168.25.

One of our investigators looked into Mr P's concerns but didn't think Metro had done anything wrong as it was the merchant who requested the £170 three times and so it was the merchant's error rather than Metro's. And nor did they think Metro had made an error when Mr and Mrs P switched accounts as their statement show that Metro transferred the closing balance of the account (£168.25) to the new account and it wasn't related to the two pending payments and so didn't think Metro had to do anything more.

Mr and Mrs P remain unhappy. Mr P maintains that there is a £1.75 discrepancy in one of the reversed transactions only returning £168.25 and wants a further £100 compensation to reflect the 19 days of unnecessary struggles they faced at not having access to the funds that were wrongly reserved and 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 that Mr and Mrs P won't take it as a discourtesy that I've described and condensed their complaint in the way that I have, ours is an informal dispute resolution service and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that.

And the crux of this complaint is that that Metro wrongly pre-authorized three transactions for £170 resulting in them being unable to access those funds for 19 days. Furthermore, Mr and Mrs P believe there has been a £1.75 shortfall for one of the reversed transactions.

My role is to look at the problems Mr and Mrs P have experienced and see if Metro has done anything wrong or treated them unfairly. If it has, I would seek – if possible - to put them back in the position they would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Having considered all the evidence, I'm in agreement with our investigator and I don't think there is anything much more of use I can add.

It might help if I explain hotel or holiday resort merchants often pre-authorise transactions where the final cost is unknown to allow for adjustments. During this process the issuing bank – in this case Metro - places a temporary authorisation hold on the funds reducing the customer's available balance. The money does not immediately move to the merchant at this stage but rather the merchant is just verifying that the funds exist and locking them in and it isn't until the capture stage that the merchant confirms the transaction and the funds are actually transferred.

If the merchant doesn't complete the transaction unless the merchant reverses the payment the funds reserved will remain pending until they drop back into the account. In most cases this will be after 7 days, but it can be 28 days for hire transactions such as in the case here.

So as it is the merchant that put the transactions through and Metro merely followed the correct process and reserved the funds as it was required to do, I can't say that Metro made an error or did anything wrong here. If Mr and Mrs P so wish they should take this complaint up with the merchant.

And nor do I think Metro made a mistake or did anything wrong when transferring Mr and Mrs P's funds to their new account provider. Mr and Mrs P's statements shows there was a balance of £170 on 13 January 2026 and following a card transaction for £1.75 relating to travel costs the closing balance of the account was £168.25 and it was this amount that was transferred to their new account on 19 January. So I can't agree that there is a discrepancy in the figures as this was Mr and Mrs P's closing balance and is entirely separate from the two £170 reversed transactions.

So it follows that based on the evidence I've seen I don't think Metro have done anything wrong or treated Mr and Mrs P unfairly and so I don't uphold this complaint.

My final decision

For the reasons I've explained, I do not uphold Mr and Mrs P's complaint against Metro Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to accept or reject my decision before 15 April 2026.

Caroline Davies

Ombudsman