

## **The complaint**

Mr S complains that Metro Bank PLC unfairly blocked his account. He says this caused him financial problems and he wants compensation.

## **What happened**

Mr S has a current account with Metro.

In January 2023, Mr S contacted Metro about making a cash order for US dollars to take on holiday to Cuba. Mr S didn't end up completing the transaction and said he'd contact Metro again closer to the time of his intended trip.

Following this Metro reviewed Mr S's account. Whilst it completed its review Metro blocked the account – which meant Mr S couldn't access the funds in his account. As part of its review Metro asked Mr S to provide information about a number of transactions on his account, including the end remitting country. Mr S's accounts were blocked between 12 and 25 January 2023. Mr S provided the information Metro requested.

Metro emailed Mr S and explained that there are a number of countries considered outside the bank's risk appetite. It explained that Metro products and services must not be used to transact with or used in these jurisdictions, either directly or indirectly. Mr S said he'd happily comply with the bank's instructions. Following this Metro unblocked Mr S's account.

Mr S complained to Metro about the restrictions on his account. He said that none of the transaction Metro asked him about had anything to do with any of the countries mentioned to him by Metro. He says that the actions of Metro are racially motivated as all the transactions the bank asked him to explain were based solely on the foreign names of his friends which appeared in the transactions. Metro said it hadn't done anything wrong when it reviewed Mr S's account and it had done so in line with the terms and conditions of his account. Metro also said there was no racial motivation behind the review of Mr S's account.

Mr S wasn't happy with the bank's response and brought his complaint to this service. He explained that the restrictions on his account meant he didn't have access to his funds and couldn't pay for things that he needed. And that Metro didn't warn him about blocking his account. He says this caused him financial problems and strongly believes that Metro's actions were racially motivated. He wants compensation for the trouble and upset he was caused by Metro blocking his account.

One of our investigators reviewed the complaint. He thought Metro hadn't done anything wrong when it blocked Mr S's account. He said they'd acted in line with their legal and regulatory obligations. And had treated Mr S fairly when it decided to block and review his account.

Mr S disagreed. He maintained that Metro's actions were racially motivated and pointed to the names against the transactions to support what he said. He also said Metro should give him an explanation why it blocked his account.

As no agreement could be reached the matter has come to me to decide.

### **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, as the investigator has already explained, Metro has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To fulfil these obligations, they may need to review activity taking place on accounts and ask customers for information, for example about payments, and information about the individuals operating the accounts – it's entitled and obliged to carry out such checks. The terms of Mr S's account also permit Metro to review an account and ask its customers for information.

It's clear from what Mr S has told our service and Metro that he believes he is a victim of racial discrimination by Metro. While I can appreciate this is his perspective, it is not the role of the Financial Ombudsman Service to decide whether the business has acted unlawfully or not – that's a matter for the Courts. I'm required to consider a number of factors in order to decide Mr S's complaint in accordance with what I think is fair and reasonable in all the circumstances of this complaint. Part of this has meant considering the provisions of the Equality Act 2010 . And after looking at all the evidence, I've not seen anything to suggest that Metro decided to review and block the account for an improper reason.

Having looked at all the evidence, I don't believe it was unreasonable in the circumstances for Metro to block Mr S's account. Banks have a duty to mitigate risks arising from any business relationship which can present a higher risk of money laundering and financial crime. Metro has explained that it completed its review to determine if any activity on Mr S's account related to countries that fell outside its risk appetite and to comply with its regulatory obligations. Metro has explained that this was its standard procedure, and I accept that it was.

I can see that in an email dated 25 January 2023, Metro told Mr S that certain countries sit outside its risk appetite and provided him a list of these countries. The list included Cuba, which is categorised as a country of concern in respect of money laundering and financial crime. The email also explained that Metro products and services must not be used to transact with or used in these jurisdictions, either directly or indirectly.

Having looked at all the evidence and circumstances of this complaint, I'm satisfied that in blocking Mr S's account Metro were complying with its legal and regulatory obligations. So, whilst I accept, the bank's actions caused Mr S inconvenience and upset when it decided to block his account and asked him to provide information about transactions on his account, I can't say the bank did anything wrong and treated him unfairly in doing so.

I understand that Mr S wants Metro to provide a proper explanation why it blocked his account in the first place. And says Metro should have warned him it was going to block his account. But Metro doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr S the reasons behind the account review and block, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr S this information. And it wouldn't be appropriate for me to require it to do so.

In summary, it's clearly caused Mr S trouble and upset when he wasn't able to use his account. And I appreciate it must have been a worrying and frustrating time for him. So, I

realise he will be disappointed by my decision. But having looked at all the evidence and circumstances of this complaint, I can't say Metro treated Mr S unfairly when it blocked his account.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 October 2023.

Sharon Kerrison  
**Ombudsman**