

## **The complaint**

Mr P and Miss G complain that Metro Bank PLC closed their accounts. They say this made things very difficult for them especially as Mr P had been seriously unwell. They want Metro to pay them compensation for the trouble and upset they suffered.

## **What happened**

Mr P had four accounts with Metro. A joint account with his flatmate Miss G, and three accounts in his sole name.

In November 2022, Metro reviewed Mr P's accounts. Following its review, Metro decided to close all of Mr P's and Miss G's accounts. The bank wrote to Mr P on 15 November 2022 and gave them 60 days' notice to make alternative banking arrangements. Following this Mr P set up another account with a different bank.

Mr P wasn't happy with the bank's decision to close his accounts. He explained that he'd been seriously unwell since late 2021, which meant the closing of the accounts made an already challenging situation much more difficult for him as he had to spend time looking for another account and moving all of his direct debits across to his new account.

Mr P asked Metro why it was closing his accounts and to reconsider its decision. Metro said it wasn't willing to reopen Mr P's accounts and had closed them in line with the terms and conditions. Metro also said that it wasn't obliged to provide Mr P with an explanation about why it no longer wanted him as customer.

Unhappy with this response Mr P brought his complaint to this service. Mr P said that the whole experience had been upsetting and stressful. He wants Metro to explain why it closed his accounts. He also explained that at the time he was dealing with a serious health condition, which was made more challenging due to the bank's actions. He said that Metro made him go to branch with his carer which made his health condition much worse. And that Metro placed a marker on his credit file which is causing him issues with his credit and housing. So, he said Metro should pay him and Miss G compensation for the trouble and upset caused by the bank closing their accounts.

One of our investigators reviewed the complaint. She thought Metro hadn't done anything wrong when it closed Mr P's and Miss G's accounts. She said they'd acted in line with the terms and conditions of the accounts. And she explained that Metro didn't have to provide Mr P with the reasons that sat behind its decision to close the accounts.

The investigator said that Mr P had full access to his account during the notice period and there was no evidence Metro had asked Mr P to go into a branch and that he had other ways in which he could access his account. She looked at Mr P's credit file and noted that Metro had placed late payment markers in 2022 and 2023, but these had been registered correctly. So overall, the investigator said Metro hadn't treated Mr P unfairly and didn't uphold his complaint.

Mr P disagreed. He wants to know why Metro closed his account and compensation for the trouble and upset he suffered as a result of Metro closing his accounts.

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.

It's clear from what Mr P has told us and the bank that he feels very strongly about his and Miss G's complaint. And I'm very sorry to hear that Mr P has been unwell and I hope his health continues to improve.

I'm aware that Mr P has another complaint with our service concerning transactions that Mr P disputes on his own account. This complaint will focus on the closure of Mr P's and Miss G's account. Mr P's other complaint will be dealt with separately.

Banks have important legal and regulatory obligations they must meet when providing accounts to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. It's common industry practice for firms to conduct a review on a customer and/or the activity on an account and there are a number of reasons that may prompt a review. The terms of Mr P's accounts also permit Metro to review an account at any time. Following a review, banks sometimes decide to close accounts. And that's what happened here.

Metro is entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions. I should also add that each financial institution has its own criteria and risk assessment for deciding whether to continue providing accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. But they shouldn't decline to continue to provide an account without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

In this instance the terms of Mr P's accounts say that in certain instances Metro can close the accounts with immediate notice and by providing 60 days' notice to a customer. And it doesn't have to provide a reason for doing so. Metro also isn't obliged to reveal the reason(s) for reviewing Mr P's accounts. But I've considered the basis for the review, including the information Metro has provided, which I find was legitimate and in line with its legal and regulatory obligations. So, I can't say Metro have done anything wrong.

I've next gone on to consider whether Metro acted fairly when it closed Mr P's accounts. In this case I can see that Metro wrote to Mr P on 15 November 2022, giving him the full notice period. So, it has complied with the terms and conditions of the accounts and was entitled to close the accounts as it has already done.

I've also considered Metro's reason for closing the accounts. In doing so, I appreciate that Metro is entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Metro should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly.

Metro has provided some further details of its decision making process, I'm sorry but I can't share this information with Mr P due to its commercial sensitivity. But I've seen nothing to suggest Metro's decision around closing Mr P's accounts was unfair. On balance when considering Metro's wider regulatory responsibilities and all the information available to me, I find Metro had a legitimate basis for closing Mr P's accounts and not tell him why. So, I don't find Metro treated Mr P unfairly when it closed his accounts. And I won't be asking Metro to reopen his accounts.

I understand Mr P wants Metro to explain the reason it closed his accounts. It can't be pleasant being told you are no longer wanted as a customer – especially after being a customer of Metro for as long as Mr P had. But Metro is under no obligation to tell Mr P the reasons it no longer wants him as a customer. So, I can't say it's done anything wrong by not giving Mr P this information. And it wouldn't be appropriate for me to require it do so.

I acknowledge that Mr P says he had to take taxi's to and from a branch to access his account, which he has explained left him exhausted due to his health problems and was costly. Mr P has also said that he was fobbed off when he called the bank's telephone banking system. Having looked at all the circumstances of this complaint, I don't agree that Metro are responsible for any inconvenience Mr P may have experienced as a result of him travelling to branch. I say this because I can see that he had full access to his accounts throughout the notice period and I haven't seen any evidence that Metro asked him to come into a branch. But it appears he chose to go into a branch despite having other ways he could access his account. So, whilst I have sympathy for how Mr P's health condition impacted his mobility and day to day well-being, I can't hold Metro responsible for any trouble and upset Mr P experienced as a result of travelling to and from a branch.

I've no doubt this was a worrying and upsetting time for Mr P and I accept he had to go to the trouble of setting up another bank account. But for me to award any compensation I'd have to be satisfied that Metro has acted unfairly when it closed Mr P's and Miss G's account. Based on all the evidence, I've seen, it wouldn't be appropriate for me to award compensation since I'm satisfied Metro haven't acted inappropriately in closing the accounts.

Finally, Mr P has said Metro recorded markers on his credit file which are causing him problems with obtaining credit and housing. Mr P has helpfully provided a copy of his credit file in support of what he's said, which I've read. Having done so, whilst I accept what Mr P says and understand his concerns, I haven't seen any evidence that Metro recording information on Mr P's credit file led to Mr P suffering any financial loss or impacted him negatively in anyway.

I can see that Metro has recorded late payments in December 2022 and January 2023. This relates to a temporary refund the bank made for ATM transactions Mr P disputed, which was then re-debited and left Mr P's account overdrawn. I've already said that Mr P's disputed transactions complaint, is the subject of a separate complaint with this service. However, I would only expect this type of information to be removed if the business provided incorrect information to credit reference agencies. I've seen nothing to suggest that was the case here. Markers were applied because Mr P was late in making payments. Metro is under an obligation to report accurate information. I'm satisfied that is what has happened here.

In summary, it's clearly caused Mr P and Miss G trouble and upset when Metro closed their accounts. So, I realise they 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 P and Miss G unfairly when it closed their accounts. So, it wouldn't be appropriate for me to award them any compensation since I don't find Metro acted inappropriately.

**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 Miss G and Mr P to accept or reject my decision before 12 February 2024.

Sharon Kerrison  
**Ombudsman**