

The complaint

Mr H complains Metro Bank PLC provided him poor service when it refused to open a new savings product for him.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in detail.

In summary, around 2 January 2024 Mr H wanted to apply for a new fixed term savings account and visited a branch of Metro Bank with two cheques from his other savings providers.

Mr H says Metro Bank wouldn't open a new fixed term savings account even though he says its website showed the account was available until 10 January 2024. Mr H says he had to deposit the cheques in a lower rate savings account with another provider. He complained to Metro Bank asking it to pay the difference in the lost interest he says he suffered.

Metro Bank considered the complaint but didn't uphold it. Metro Bank says the opening of the fixed rate savings account Mr H wanted was paused so wasn't able to open any new accounts when Mr H requested them. Metro Bank says new savings accounts returned to sale and opened from 11 January 2024. Mr H remained unhappy so referred the complaint to our service.

Our investigator didn't recommend the complaint should be upheld. She said she was satisfied Metro Bank hadn't acted unfairly when it didn't open the new fixed rate savings account for Mr H and didn't ask it to do anything. Mr H didn't agree and asked for the complaint to be reviewed by an Ombudsman.

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 overall conclusions on this complaint as our investigator.

Mr H says he went into a Metro Bank branch on 2 January 2024 to open the fixed term savings account. I appreciate it would have been concerning for Mr H, as he'd asked his current providers to issue cheques so he could deposit them into the new fixed rate savings account he wanted. I can understand why Mr H thinks the fixed rate of 5.56% should have been available as the information in the closed account section of Metro Bank's website says that the particular account Mr H wanted was open between 12 December 2023 and 10 January 2024

But Metro Bank have provided us with evidence to show that it had paused new applications for its fixed term savings accounts from late 2023 until early in the new year. The information

provided includes screenshots from Metro Bank's website. The screenshots don't confirm a date when any new applications would be accepted again for that interest rate, but they do confirm that "*Any application completed by 7pm on 22/12/23 will be honoured*". So I'm satisfied any application requested after this date wouldn't have been accepted until Metro Bank decided to reopen its fixed rate savings accounts again. Which it did on 11 January 2024, although at a lower interest rate.

Metro Bank also provided us with an extract from its internal communications which shows that fixed rate savings and fixed rate ISAs only returned to sale, and therefore could be opened as usual, from 11 January 2024.

Considering this information, I'm persuaded that Metro Bank had paused any new fixed term saving products in the period from 7pm on 22 December 2023 until 11 January 2024. To be clear this was a pause to the account, and it hadn't been withdrawn or closed and could have been reopened at the existing rate should Metro Bank have wanted to do so.

As Metro Bank decided to lower the interest rate on the account when it reopened the fixed rate savings accounts on 11 January 2024, this in turn means the higher rate account that Mr H wanted did officially close on 10 January 2024, although as mentioned it wasn't possible to open a new account after 7pm on 22 December 2023.

As I've explained above, I can't conclude from the information available to me that Metro Bank did anything wrong. It follows that I don't think Metro Bank acted unfairly when it said it couldn't open a new fixed term savings account for Mr H in early January 2024 at the rate he wanted. So although I'm sorry to disappoint Mr H, I'm not going to ask Metro Bank to do anything here.

My final decision

For the reasons mentioned above, I don't uphold Mr H's complaint about Metro Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 18 September 2024.

Jag Dhuphar
Ombudsman