

## **The complaint**

Mrs R complains that Metro Bank PLC (“Metro”) have treated her unfairly as it won’t allow her to take money out of a fixed rate account she has with it despite her financial difficulties.

## **What happened**

Mrs R opened a three-year fix rate account on 8 February 2023 and deposited £85,000 into it. The terms and conditions provided at the time of opening the account show that Mrs R was given a choice of terms being 1 year, 18 months or 3 years. Each term provides a different rate of interest with the 3-year term providing the best rate.

The application signed by Mrs R states that the fixed term account will be subject to the terms and conditions outlined in the documents. In the important information summary under the section “Can I withdraw my money” it states that once you’ve passed the 14 days period you’re not permitted to withdraw from or close your account before the end of the term.

Although Mrs R’s personal circumstances and employment hadn’t changed Mrs R found she was getting into financial difficulty and asked Metro whether she could break the fixed term of her deposit.

Metro said it will only consider allowing a break in the agreement under exceptional circumstances. Mrs R advised Metro that she wasn’t working but it didn’t find this was exceptional as she wasn’t working when she opened the account and so it didn’t feel there had been a change in circumstances.

Metro asked Mrs R for evidence to support her request and Mrs R provided it with evidence of bills including her mortgage repayments, a county court judgement against her amounting to £7,392, a quote regarding the resurfacing of tennis courts for £13,450 and for new timber windows of £10,000 of which Mrs R had paid a deposit of £5,000 for.

Based on this information Metro agreed to a partial breakage of £7,926.60 of which was paid into the feeder account held with Metro on 18 April 2024.

Mrs R was dissatisfied with this, she wants Metro to release all the money she invested and complained. She says she is in extreme financial difficulty and can’t pay her bills and that she isn’t working and needed the remaining balance to cover urgent building repair costs and mortgage payments.

Metro issued its final response letter on 18 April 2024. It considered all the information Mrs R provided but wasn’t satisfied from the evidence that her circumstances were exceptional enough to agree to break the fixed term account before the maturity due date of 8 February 2026.

So Mrs R brought her complaint to this service. Mrs R says she isn’t and can’t work due to mobility issues and is in financial difficulty and can’t pay her essential bills. Mrs R says that her house is in a bad state of disrepair and needs building works carried out urgently and

that her insurance company has said it won't cover the house unless the works are carried out.

Metro explained that funds deposited with it in fixed terms accounts have been committed elsewhere so generally it can only consider allowing breaking the arrangement after the 14-day cooling off period in exceptional circumstances and that this is made clear at the time the account is opened.

It says Mrs R wasn't working when she opened the account and despite agreeing a partial break and release of funds her account statement showed in June 2024 she still hadn't utilised these funds and she had a balance of £8,933.15 available.

One of our investigators looked into Mrs R's concerns but didn't think Metro had treated Mrs R unfairly by declining to allow her to take all her funds out of her fixed term account as this was in-line with the terms and conditions of the account and they thought Metro had considered Mrs R's circumstances and made an exception to the terms that was fair given the information it had.

Mrs R disagreed, she says she has no savings left and an income of around £200 a month and has provided further evidence of the financial difficulties she's facing including:

- the insurance on her house has now been cancelled as at 19 August 2024 (due to failing to bring her property up to a state of good repair);
- that she's received a notice of restriction/charge being applied to her property (due to the outstanding CCJ);
- quote for building works dated 19 June 2024 for £31,655;
- mortgage arrears of £606; and
- Council tax and utility bill arrears.

Mrs R has asked for an ombudsman's decision on the matter.

### **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.

My role is to look at problems that Mrs R has experienced and see if Metro has done anything wrong or treated her unfairly. If it has I'd seek to put Mrs R back in the position she'd be in if the mistakes hadn't happened and I may award compensation that I consider fair and reasonable.

Before I go any further, I offer my sympathies to Mrs R she is clearly struggling financially, and her circumstances have become worse since bringing her complaint to this service. But I need to be clear my decision only covers the complaint Mrs R raised with Metro and whether it treated her fairly or made a mistake on the information Mrs R provided it at the time Mrs R raised her complaint.

And having considered everything carefully – and I know this will come as a disappointment – I don't think Metro has made an error or treated Mrs R unfairly.

At the time of opening her fixed term deposit account Mrs R was given a number of options regarding the term and I can see she on the application form that she signed she chose 36 months. The application form and the important information summary which Mrs R was provided with at the time both say that you're not permitted to withdraw from or close your account before the end of the term.

It should be noted that this service doesn't supervise, regulate or discipline the businesses we cover – that's the role of the regulator, in this case the Financial Conduct Authority (FCA). And as we are not the regulator, I can't tell Metro what products it should offer or on what terms.

But even so, I don't think it is unfair or unreasonable that Metro is only offering a rate of interest in return for a commitment to hold funds with it for a fixed period of time. This is not unusual with fixed term investments as without such a terms businesses run the risk of making a loss and I think most customers would understand this. So I can't say Metro has made an error or acted outside the terms and conditions of its account when it didn't agree to release Mrs R from the fixed term she signed up to.

Metro says it will only consider allowing a break in the agreement under exceptional circumstances. So what I now need to decide now is whether Metro treated Mrs R fairly when it agreed to partially release £7,926.60 of the £85,000 invested after considering the information Mrs R provided about her circumstances. And again, I don't think Metro treated Mrs R unfairly here.

Mrs R has told us her husband sadly had passed away, she is unable to work and all their saving have been depleted and I sympathise with her situation. But this all happened prior to Mrs R choosing to invest in the three-year fixed term deposit. And although I accept financially her situation has become more difficult recently – particularly from July 2024 - the information she provided to Metro about her financial difficulties in April I don't think supported circumstances that were so exceptional that it would be unfair of Metro not to release of her entire investment with it.

So I don't think based on the information Metro had that it treated Mrs R unfairly by only agreeing to release part of her investment and so it follows that I do not uphold Mrs R's complaint.

But I will say as Mrs R's situation has become more difficult, she might wish to provide Metro with further evidence for its consideration.

### **My final decision**

For the reasons I've explained, I do not uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 1 October 2024.

Caroline Davies  
**Ombudsman**