

The complaint

Mr B complains about the service he received from Metro Bank PLC in relation to his ISA.

What happened

Mr B held an ISA with Metro Bank which had a maturity date in October 2023. In September 2023, Metro Bank sent him an email asking what he would like to do next. It said the options were to reinvest his money or let the ISA mature. It said that Mr B could instruct it to reinvest his money into another fixed rate cash ISA from 40 days before the maturity date and up to 30 days after the maturity date. It said he could do this through an online form, over the telephone or in store.

Two weeks before the maturity date, Mr B received another email from Metro Bank. It reiterated the options of reinvesting or letting the ISA mature. It asked him to let Metro Bank know his decision before the maturity date and said he could give reinvestment instructions over the telephone or in store.

Mr B says he went to his local branch of Metro Bank a week before the maturity date to discuss reinvesting the funds. He says he was advised in the branch that nothing could be done before the maturity date and that he should come back afterwards. Mr B says he didn't think this advice was correct, but he didn't have the email with him at the time to check. So, he says he had no choice but to accept what he was told in the branch and leave without having sorted anything out. He didn't get around to going back to the branch.

Mr B raised a complaint in December. He said he wanted advice about his best course of action and compensation for any money he had missed out on. Metro Bank didn't uphold the complaint. It referred to the email sent to Mr B in October and said it couldn't locate any online forms submitted by Mr B or calls to its contact centre. So it said there was no evidence it had refused his instruction. Metro Bank said that Mr B's ISA had matured and he could visit one of its stores if he wanted to open a new one.

Mr B asked this service to look at the complaint. He said Metro Bank had ignored the fact that he'd visited one of its stores to discuss reinvestment. He was unimpressed with Metro Bank's response and said he had since transferred his funds to another ISA provider.

Our Investigator didn't think Metro Bank needed to do anything. But Mr B remained unhappy about the situation 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.

I've seen the emails which Metro Bank sent to Mr B in September and October. It's clear from these that Mr B could give reinvestment instructions to Metro Bank before the maturity date of his ISA. It's also clear that he had the option of doing this in the branch, not just online or over the telephone.

Metro Bank doesn't accept that Mr B was incorrectly advised in the branch. It says its branch staff are trained in what to do if a customer asks to rollover an ISA; it says they are aware that fixed cash ISA's can be renewed up to 40 days before maturity. I don't doubt that Metro Bank tells its staff this. But that doesn't mean Mr B was advised correctly on this occasion.

I don't doubt that Mr B visited the branch one week before his account matured. And I think it's likely he was told he would have to wait until after the maturity date to reinvest his funds. I'm satisfied that Mr B wanted to reinvest his funds. He had taken the time to go to the branch for that purpose. So, I don't think he'd have left the branch without doing so if he'd been advised correctly. On balance, I think Mr B was given incorrect advice in the branch.

Mr B said in his complaint that he wasn't convinced by the advice, having read Metro Bank's emails. But he says he didn't have the emails with him at the time, so had to accept what he was told. I think that was a reasonable approach at the time of the branch visit. But, if Mr B had doubts about the advice and knew there was information about his options in the emails, I think it would have been reasonable for him to check the emails after the branch visit. Had he done so, he would have known that the branch advice was incorrect. There was still time for Mr B to reinvest the funds before the account matured. And, if he didn't want to go back to the branch, he could have used the online form or called Metro Bank instead.

Mr B told our Investigator that the details of the emails weren't clear in his mind at the time he went to the branch. He says he left with the feeling that he must have got it wrong and Metro Bank was correct. So, he says he had no reason to contact it through other channels. He says he didn't discover that Metro Bank's advice had been wrong until he picked things up again after waiting for the advised time. It's right that Mr B should have been able to rely on the branch's advice. But he also knew that his ISA was about to mature very soon. So, if it was important to him to reinvest the funds, I think it would have been reasonable for him to contact Metro Bank soon after the maturity date to give those instructions.

Mr B was still able to reinvest his funds for up to 30 days after the maturity date. So, although the advice given in the branch was wrong, I don't think there would have been any adverse consequences (other than Mr B's wasted trip) if Mr B had acted more quickly after the maturity date.

It was clear from the emails Mr B received that he had until 30 days after the maturity date to reinvest his funds. He says that the details of the emails weren't clear in his mind at the time of the branch visit and that's understandable. But I'm satisfied he knew when the account was due to mature and that he had to take action if he wanted to reinvest the funds. It was his responsibility to make sure Metro Bank knew if he wanted to reinvest. And, I think he ought reasonably to have known that there was a time limit on doing so. There's nothing to suggest he was told otherwise in the branch.

The default position was that the account would mature if Mr B did nothing. This was clear from the emails. Mr B says that the day-to-day pressures of his work meant he didn't get round to revisiting the branch. But there were other ways in which he could have given Metro Bank his instructions. I don't think it was Metro Bank's fault that Mr B didn't manage to contact it within the 30-day timeframe.

In conclusion, I think Metro Bank gave Mr B incorrect advice in the branch. But I don't think that prevented him from reinvesting his funds within the required timescale. So, although I'm sorry to disappoint Mr B, I don't think Metro Bank needs to do anything here.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 October 2024.

Katy Kidd
Ombudsman