

## **The complaint**

Mr K complains Tandem Bank Limited (Tandem) failed to honour the 14-day cooling off period on a newly opened fixed term deposit account.

## **What happened**

Mr K says he opened a fixed term deposit with Tandem in early June 2024. Mr K says due to personal circumstances he needed to withdraw the funds, so he telephoned Tandem to ask for the withdrawal of the funds he had deposited within the 14-day cooling off period that was offered. Mr K says Tandem agreed to this when he called but subsequently informed him the funds couldn't be accessed as he had locked the funds into the deposit account.

Mr K says this was unfair and against his consumer rights and Tandem should allow him to access the funds as he had notified them within 14 days of opening the account.

Tandem says Mr K had locked the fixed deposit online which meant he had overridden any cooling off period, and this was stated in its terms and conditions. Tandem have apologised for miscommunication and the fact the initial call handler had implied the funds could be accessed when that wasn't the case. Tandem says Mr K had informed them he could have earned £200 more with another provider, and it said it would compensate him for that if he could provide evidence of the terms of the other providers fixed deposit – but that hasn't been provided.

Tandem says as the deposit account was manually locked in by Mr K, he by doing so waived the 14-day cooling off period .

Mr K wasn't happy with Tandem's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator thought it was clear that once Mr K had locked his fixed term deposit account online, the opportunity to withdraw or deposit funds within that 14-day deposit window would no longer be available.

The investigator acknowledged when the initial agent suggested the funds could be withdrawn within the 14-day window, he hadn't verified the account status but as a gesture of goodwill it offered to refund the difference in earned interest from the alternative deposit account provider. The investigator says she wouldn't be asking anymore from Tandem.

Mr K didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

## **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 won't be upholding this complaint and I'll explain how I have come to my decision.

I can understand it would be upsetting for Mr K to discover that he couldn't withdraw the funds he had placed into a fixed term deposit with Tandem, even though he had requested this within 14 days of opening the account and was told his request would be actioned.

When looking at this complaint I will consider if Tandem acted fairly when it refused to allow Mr K to withdraw the funds he had placed into the fixed term deposit account.

Mr K's complaint centres around the fact although he contacted Tandem within the 14-day cooling off period, following him opening a fixed term deposit online, it refused to allow him to withdraw the balance, which he believes is contrary to his consumer rights.

While I understand the points Mr K makes here, I'm not fully persuaded by his argument.

I say this because while Mr K refers to his rights under *The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013*, it's worth pointing out that under section 6.- (1) it says :

*These Regulations do not apply to a contract, to the extent that it is—*

*(b) for services of a banking, credit, insurance, personal pension, investment or payment nature.*

So, with that in mind it's reasonable to say those regulations wouldn't apply to this part of his complaint. That said, Tandem did offer Mr K a 14-day cooling off period during which Mr K could have withdrawn the funds, but from the information I have seen this option was overridden when Mr K locked the funds online, on 1 June 2024.

Tandem have provided me with a copy of its terms and conditions where it states under *Withdrawing Your Money Early - "You can't withdraw any money during the fixed term, so you should bear this in mind when you deposit your money"*. I have also been provided with details of the screen shots Mr K would have seen when locking in his fixed rate deposit, and these state *"Are you sure you want to lock your Fixed Rate Saver now ?"* and goes on to say the fixed rate term will begin at midnight that day. So, I'm satisfied this is clear and by agreeing to this Mr K had overridden the 14-day cooling off period and he benefited by doing so, as he earned interest immediately and the deposit would mature sooner than if he'd waited 14 days.

I have also listened to the phone call that Mr K refers to on 14 June 2024 and in that call the agent agrees to submit a withdrawal request, but it's fair to say the agent wasn't made aware at that time Mr K had locked the deposit online and by doing so he had forfeited his 14-day cooling off period, and this point was explained in a subsequent call with another agent a few days later.

Tandem have apologised for any confusion over this matter and while it hasn't made any mistakes here, as a gesture of goodwill it did offer to Mr K that it would agree to pay the difference in interest of around £200 on a deposit account he says he found elsewhere, if he could provide them with the terms and details of that account. I'm satisfied that was a fair offer and it would be for Mr K to provide the details to Tandem if he wishes to take them up on that offer.

While Mr K will be disappointed with my decision, I won't be asking anymore of Tandem here.

**My final decision**

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 K to accept or reject my decision before 5 November 2024.

Barry White  
**Ombudsman**