

The complaint

Mr B complains about the service he received from Metro Bank PLC ("Metro") when he requested his interest payments to be paid into his saver account with it.

What happened

Mr B opened four fixed term savings accounts with Metro in November 2023 all of which mature in May 2025. Interest was paid monthly on the 13th into Mr B's current account with Metro which he'd selected as his feeder account.

In December 2023 Mr B switched out his current account to an external provider. Metro have explained that when a feeder account is switched out that it still runs in the background so that payments received in can be transferred out to the switched out account which is what happened when it credited the monthly interest payments in Mr B's case.

Mr B's monthly interest payments on one of his accounts with Metro was paid to his regular savings account on the 13th of the month from July 2024 while the other three interest payments were paid to his external current account around 10 days later.

In November 2024 when the interest payments didn't appear in his external account by the 23rd Mr B contacted Metro about this. Mr B says he contacted Metro three times about this and was advised he would receive a call back, but this failed to happen and so Mr B raised a complaint.

Mr B says he suggested and it was agreed that to resolve the matter going forward all interest payments would be made to his instant savings account with it and credited Mr B with £100 compensation as an apology - following which the same was confirmed in writing. Unfortunately, this didn't happen and so Mr B brought his complaint to this service.

Following this Metro confirmed that the missing interest payments from November 2024 were credited to his external account on 12 December and the January 2025 payment credited around 14 January. It says that from February 2025 all interest payments will now be credited to Mr B's instant saver account with it.

Mr B is dissatisfied with this and wants Metro to let him out of the fixed term contract with his savings accounts with it early and pay any remaining interest.

One of our investigators looked into Mr B's concerns but didn't agree that Metro should release Mr B from his term deposits early as under Metro's terms and conditions that Mr B agreed to when opening the accounts he'd agreed to deposit the money for a fixed term of 18 months and they thought that the apology and £100 compensation had already paid was a fair way to settle his complaint.

Mr B disagreed. He has confirmed that all the interest payments have now been moved and although he doesn't want further compensation, he wants to be allowed out of his contract early as he's lost faith in the organization. Mr B 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.

It might help if I explain here my role is to look at the problems Mr B has experienced and see if Metro has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr B back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

In this case it's not disputed that Mr B has had some difficulty with receiving his interest payments in the account he requested. This I think is likely due to Metro's processes when a customer switches out their feeder account and confusion over where Mr B wished to have all his interest payments made.

Fortunately, Mr B has now confirmed all the interest payments have now been moved to the correct account and Metro has confirmed payments from February 2025 would be made to Mr B's instant saver account as per his request.

So what I need to decide is whether the apology and compensation of £100 paid from Metro is enough for the distress and inconvenience suffered by Mr B in trying to sort this matter out.

And having considered everything I think it is. I don't doubt Mr B has been inconvenienced by the matter and had to spend time trying sorting it out only to be left frustrated when Metro didn't do what he expected it to following him raising his complaint.

But Mr B is now receiving his interest payments into the right account, so I consider he has been put in the position he would've been in if mistakes hadn't happened. I'm not aware that Mr B has suffered any direct financial loss due to Metro's mistakes and as Metro has already compensated Mr B £100 – and he isn't after further compensation – I think this is a fair way to settle his complaint.

I appreciate Mr B would like to exit the remainder of the fixed term on his accounts with Metro early, but as Mr B did agree to the 18-month term when he opened his accounts, I don't think this would be a reasonable resolution or practical solution to the complaint raised. In any case as I understand it all Mr B's accounts with Metro have already matured this month and so this resolution wouldn't make a difference to Mr B's circumstances.

So it follows that I think what Metro has already done to settle Mr B's complaint is fair and I'm not going to ask it to do anything more.

My final decision

For the reasons I've explained, I think that Metro Bank PLC has done enough to settle Mr B's complaint and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 June 2025.

Caroline Davies
Ombudsman