

The complaint

Mr J complains that the process for applying for a savings account with Atom Bank PLC (Atom Bank) was unclear and misleading, which meant he opened an account which offered a lower rate of interest.

What happened

Mr J wanted to open a savings account with Atom Bank. He decided the interest rate and conditions around withdrawals meant that the Instant Saver Reward account was suitable. After completing the application process and holding the account for several months he established he'd opened an Instant Saver account, which paid a lower interest rate.

Mr J was unhappy and complained to Atom Bank. When it rejected the complaint, he referred it to our service. He believes the similarity in the account names is misleading, and he'd believed he was applying for the higher interest account.

Our investigator didn't think Atom Bank had done anything wrong. Mr J disagreed, and as no agreement could be reached, his complaint has come to me to make 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.

Two important points here aren't in dispute. These are that Atom Bank offers the Instant Saver and Instant Saver Reward accounts, which have different interest rates, and that Mr J opened an Instant Saver account. I accept, as did Atom Bank, that Mr J wanted to open an Instant Saver Reward account.

Mr J says when he opened the account, he was unable to locate the Instant Saver Reward account, and so understood that the account called the Instant Saver account was the same one. However, we've been provided with screenshots of the application process and I'm satisfied these clearly outlined the significant conditions, including the relevant interest rate.

By Mr J's own account, one of the reasons for choosing the Instant Saver Reward account was the interest rate, so it seems to me it's reasonable to say that if the displayed interest rate during the application process was different to what he was expecting then that would have been an indicator that he wasn't applying for the same account he wanted.

Mr J has said that by being misled into opening the Instant Saver account, he lost out on the higher interest rate before he realised he didn't have the Instant Saver Reward account. I can't agree with this assertion. I note he was sent two statements during this period. On the first page of each of these statements it gives details of the Instant Saver account, and, importantly, the interest rate is clearly shown. I'm satisfied that a reasonable assessment of those statements would lead to a conclusion that he held an Instant Saver account, which offered the lower interest rate.

Mr J also believes that the similarity in the names of the accounts is misleading, and that by having two accounts with similar names Atom Bank is in breach of its obligations under the Financial Conduct Authority's Consumer Duty. He particularly refers to Atom Bank needing to ensure its communications are clear, fair and not misleading, and to avoid foreseeable harm. He says that by opening an account with a similar name which offered a lower interest rate, Atom Bank has caused foreseeable harm.

Our service's remit is to consider individual complaints, as opposed to telling financial businesses how they advertise their products or what name they give those products. However, I have considered whether the similarity in the names could be considered misleading. I can't conclude that. I acknowledge that there are similarities in the name, but think there's enough difference in the names to indicate they are two distinct products. The way the products operate is similar, albeit with different conditions around withdrawals and the interest rates, so it seems inevitable that there would be a similarity in the names. I think the addition of the word "Reward" clearly differentiates it from the other account.

I've also seen evidence that within the Atom Bank app the difference between the Instant Saver and Instant Saver Reward accounts are made clear, particularly around the interest rate. I think it's reasonable to say that the difference in name and conditions attached to the account make it clear they are separate and distinct accounts.

I'd also refer back to the earlier point which is that the application process for the accounts was clear in giving the interest rate. I don't think it's reasonable to say that a partially similar name of the account, where the application process outlines important conditions including the interest rate, could be considered misleading or unclear. I don't think Atom Bank breached its Consumer Duty obligations.

My final decision

I don't uphold Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 24 December 2025.

Ben Williams
Ombudsman