

complaint

Mr D is unhappy that Leeds Building Society ("Leeds") closed two of his savings accounts and transferred the money to accounts paying a lower rate of interest.

background

In 2015, Leeds wrote to Mr D to say that it was going to close two of his savings accounts and transfer the money in to a different type of account. Mr D was unhappy as his existing savings accounts paid interest at 3.05% a year. But the new accounts had an interest rate of less than 1%.

Mr D says this isn't fair. He suggested various to Leeds to keep his existing accounts open. Mr D is unhappy that members of staff at Leeds gave him different reasons for making the changes.

Leeds says it can't reinstate the accounts or make the changes Mr D suggested. It says it has reduced the number of accounts on offer as part of a streamlining process. And it gave Mr D various options to consider if he didn't want to take up the offer of transferring the money to the new savings accounts.

Our adjudicator didn't recommend that Mr D's complaint should be upheld. She was satisfied that Leeds was entitled to make the changes that it did. And our adjudicator didn't consider that she could make the building society reinstate the original accounts.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I realise that it's likely to disappoint Mr D but I agree with the conclusions of our adjudicator. I understand that it must seem unfair to Mr D but both savings accounts had a variable rate and weren't for a fixed term. The terms of the accounts allowed Leeds to make changes to the interest rate. And it could close the accounts by giving written notice.

I'm satisfied that Leeds gave Mr D more than one month's notice of its intention to close his existing accounts and transfer the balances to the new savings account. And I can see that Leeds gave Mr D the option to withdraw the money without penalty.

I appreciate that Mr D says his accounts were transferred and not closed as they kept the same account numbers. But I have seen copies of the letters Leeds wrote to Mr D. These say "*to make things easier, your account number will remain the same as it is now*". So I'm persuaded that Leeds closed both accounts and then transferred the balance in each account to the new savings accounts.

It isn't the role of this service to set the rules banks and building societies must follow. However sensible and logical Mr D's suggestions to the building society are I can't interfere in the building society's commercial decision to stop offering certain accounts. Based on the evidence I have seen, I can't agree Leeds has made a mistake, however unfair it might seem to Mr D.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 November 2015.

Gemma Bowen
ombudsman