

## **The complaint**

Mr M complains, The Co-operative Bank Plc (“Co-op”) withdrew his savings product and replaced it with another. He believes its decision is unethical and he’s been treated unfairly.

## **What happened**

Co-op sent a letter to Mr M in June 2023 to tell him that his High Interest Tracker savings product would no longer be available, and it would be replaced with a Base Rate Tracker with effect from the 24 August.

Mr M wasn’t happy with the change and raised a complaint. He said he’d had the account for 20 years and believed the bank’s decision was linked to it not wanting to pass on the increases in the Bank of England rates. He felt the Co-op should honour the agreement he had with it, not least because he’d held the account for a significant period of time when rates were low, and he’d waited patiently for them to rise. He thought its decision was unethical and one sided.

Co-op issued its response. But it didn’t think it had done anything wrong. It explained this was a decision it was entitled to take. So, Mr M referred matters to us.

One of our investigators looked into what happened and didn’t recommend that the complaint be upheld. She was satisfied Co-op was able to change the account terms provided it told Mr M about it in advance and she hadn’t seen any error. Mr M didn’t agree and asked for his case to be referred to 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.

Ultimately, it is for a business to decide what product it’s prepared to offer. I can’t interfere with that decision, though I can consider whether it has the power to make the relevant change and whether it did so fairly.

It’s clear Mr M feels strongly about his complaint. He’s referenced the contract with Co-op, and I agree that the account agreement is material. So, I’ve reviewed the terms and conditions of the account and I’m satisfied it entitled Co-op to make the change (section 15), provided it also gave appropriate notice, which it did when it contacted Mr M about the changes in June.

A key part of Mr M’s complaint is about fairness of the contract and this situation but the purpose of giving him two-months’ notice was to recognise there was the possibility he might not like the change and may want to consider making alternative arrangements.

On this point, both the notification and the underlying account terms, go onto say Mr M can close the account if this were the case, without cost or penalty to him. Therefore, he wasn’t tied in and could avail himself of other products with the Co-op or other providers. Weighing

all of these factors, I don't find what happened to be unfair in Mr M's case.

I realise Mr M will be disappointed with my conclusions, but for the reasons I've given, I don't uphold this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 February 2024.

Sarita Taylor  
**Ombudsman**