

The complaint

Mr M complained about the service provided by Shawbrook Bank Limited (Shawbrook). He said the business failed to notify him that his fixed rate bond was maturing in time, for him to renew. He said because of this he has lost out financially and would like Shawbrook to pay his losses to him.

What happened

Mr M held a two-year fixed term bond with Shawbrook. The bond matured on 17 January 2022. Shawbrook sent a reminder letter to Mr M about renewing his bond. This was dated 5 January 2022. Mr M said he received this letter on 31 January 2022.

Shawbrook sent a reminder letter, and it dated this 10 January 2022. Mr M said he received the reminder letter on 19 February 2022. During this period, Mr M received two statements from Shawbrook, dated 18 and 26 January 2022. Mr M said he received these statements on 22 and 31 January 2022 respectively.

Mr M said that he received his first reminder letter too late, and he didn't receive it until after the bond had matured. He said this led to him not renewing his bond and receiving a much lower temporary interest rate for his money. Mr M said he was unaware of his bond maturing until he received his statement on 22 January 2022. He said he phoned Shawbrook up on this date and renewed his bond. He said between the date his bond matured to the date he renewed it, he had a few days that he was receiving less in interest, and he would like this back from Shawbrook as he thinks it is to blame for not notifying him sooner.

Mr M also has described several occasions where he said he received poor customer service when he tried to resolve his complaint. He describes a time when a phone call he made to Shawbrook ended abruptly. Mr M said he also spoke to a staff member at Shawbrook, who said she would make sure the interest was back dated so that he wouldn't lose out. But, Mr M said, Shawbrook has not done this.

Shawbrook replied to Mr M and said it sent out its 'maturity options' pack on 5 January 2022 to him before the maturity date of the bond. It said it also sent out a reminder on 10 January 2022. It said it had sent the letters out in good time, but it couldn't be held responsible for delivery. It said it had no record of a call from Mr M about back dated interest. It didn't think it had done anything wrong with sending out the letters, but it did say it was sorry to learn Mr M had a negative experience in trying to contact it. It offered £25 in compensation for the inconvenience it caused Mr M.

Mr M wasn't happy with Shawbrook's response so referred his complaint to our service. Our investigator looked into Mr M's complaint and didn't recommend that it be upheld. He said he didn't think Shawbrook had acted unfairly or unreasonably by posting the two letters in question when it did. He said he listened to the call Mr M made to renew his bond and didn't

hear Shawbrook agreeing to back date interest. He concluded he was satisfied Shawbrook hadn't caused the loss that Mr M had described. So, he didn't uphold his complaint.

Mr B didn't agree. He reiterated Shawbrook were at fault for not notifying him about the maturity of the bond in good time. He also said he made three calls, the one the investigator listened to on 24 January 2022, along with one on 31 January 2022 where he discussed the back dated interest and a third call on 10 February 2022 where he didn't pass the security questions from Shawbrook.

Mr M asked for an ombudsman review and so his complaint comes to me 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.

I have not upheld Mr M's complaint, and these are my findings that explain why:

- Mr M's two-year fixed term bond matured on 17 January 2022, and he didn't renew his funds into a new term from that date. There was several days where he received less interest than he would've done if he had renewed his bond in time. The detail of what happened here are not in dispute between the parties. What is left for me to consider is whether Shawbrook were at fault for the delay in Mr M being able to renew his bond or not and whether it agreed with him that it would back date interest.
- Shawbrook said it sent a maturity options pack to Mr M on 5 January 2022 and a reminder letter on 10 January 2022. I can see from the information it has sent that on balance, it did send the letters on the dates it said it did. Shawbrook said it handed the letters over to a third party to deliver to Mr M.
- I have seen the dates that Shawbrook sent the letters and the lengthy gap in time between these dates and those that Mr M said he then received them. Crucially these dates that Mr M said he received the letters were after the bond matured. But I don't think Shawbrook are responsible for the lengthy delay that Mr M said occurred here. It is entitled to think the letters would be received in good time by Mr M and before the maturity date of the bond. It had sent them with enough time to get to Mr M, if either letter had been delivered within the expected time frame for the postal service that it paid for. So, I don't uphold Mr M's complaint on this issue. I don't think Shawbrook did anything wrong here.
- Mr M said he agreed with Shawbrook that it would back date interest from the date he renewed his bond back to the date the previous bond had matured. Mr M said this would mean he wouldn't be out of pocket. Mr M said he made this call on 31 January 2022.
- Shawbrook has told our service that it didn't agree to back date the interest and has no record of this call. It has provided a record from its system that shows contact between itself and Mr M. It's a record of calls and any other correspondence relating to it and Mr M. I can see on this list that Mr M's call to renew his bond is on the list. But there isn't a call listed on 31 January 2022.

- I can't be sure what happened here, but where there is a dispute between two parties about what has or hasn't happened, I would need to see either some supporting evidence or more detailed recollection of what occurred. I haven't been able to see either, so on balance, I can't safely conclude that it was agreed between the parties that Shawbrook would back date interest. With this being the case, I do not uphold Mr M's complaint about this either.

Finally, Shawbrook has offered to pay a £25 payment for distress and inconvenience caused in relation to poor service that Mr M says he received when he tried to contact it. I think this offer is fair and reasonable in the circumstances of his complaint.

In conclusion I do not uphold Mr M's complaint about the maturity of his bond. But I have concluded Shawbrook's offer of compensation for poor service is fair and reasonable. It now needs to pay this amount to Mr M.

I appreciate that my decision will be disappointing for Mr M, but I hope he will at least feel that his complaint has been fully considered and that the way I've set things out helps to explain how I've reached my conclusions.

My final decision

Shawbrook Bank Limited has already made an offer to settle the complaint and I think this is fair in all the circumstances.

So, my decision is that Shawbrook Bank Limited should pay £25 to Mr M, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 April 2023.

Mark Richardson
Ombudsman