

The complaint

Mr E complains that OneSavings Bank Plc trading as Kent Reliance didn't transfer his ISA to one with a higher interest rate upon maturity.

What happened

Mr E's ISA was due to mature in September 2024. Kent Reliance wrote to him two weeks before maturity, setting out Mr E's options. The letter invited him to complete a form to reinvest the funds, return the funds to his nominated account, or call to discuss the available rates. It said he could also do nothing and it would automatically transfer the funds into an account paying 4.27%. Mr E has said he received the letter shortly before maturity and contacted Kent Reliance by secure chat the same day, telling it he instead wished to move the funds to a different account with Kent Reliance, one which was paying 4.63%.

Kent Reliance replied a few days later to say it couldn't proceed with Mr E's request as the option he wanted hadn't been included in its maturity instruction letter. It said he could apply for the account he wanted – a new account – either online or in branch. It said that once he did so, he could call or send another secure message and it would action his request.

But Mr E didn't open a new account as Kent Reliance had advised, opting to instead raise a complaint about his experience and that he'd encountered a similar issue the previous year which had been resolved by phone, and so his ISA was transferred into the account paying 4.27%. Kent Reliance acknowledged his complaint and said someone from the customer relations team would get back to him within three working days.

In its responses to Mr E's complaint, Kent Reliance said the rate Mr E wanted was from a new issue of ISA and meant a new account opening process needed to be completed. It said whenever a new account was opened, it required customers to have sight of the applicable terms and conditions. It said its policies had changed since the previous year and that, external audit purposes, it now required new applications to be made online or by branch.

Mr E brought his complaint to our service but our Investigator didn't uphold the complaint. She said Kent Reliance had explained how Mr E could action his request, but that he hadn't done so. She acknowledged Mr E's statement about having a similar complaint from the previous year that had been resolved, and said it appeared that Mr E was advised at that point that a new account needed to be opened and that he had done so. She felt this meant Mr E was aware of the process for transferring funds to accounts not listed on the maturity letter. Ultimately, the Investigator found that Mr E had been given clear instruction, and had been advised in time to open a new account and move the funds, but hadn't done so. And so she didn't think she could fairly hold Kent Reliance responsible.

Mr E said he hadn't heard back in the timeframe Kent Reliance had said it was going to respond in, and this was the reason he found himself in the situation he was in. He also said the application from the previous year was only resolved because he had made a complaint to Kent Reliance. He said contrary to the Investigator's view, he hadn't been told Kent Reliance could take instruction by secure chat until it responded to his complaint. He also said he'd found in the previous year that Kent Reliance's website hadn't worked for a new

application and had assumed it would be the same for the application he needed to make this year.

The Investigator said the chat history showed Mr E had been informed that he would need to open a new account before instructing Kent Reliance to place the funds into an account with a higher rate of interest, and that he'd been advised of this with enough time for him to have done so without penalty. She acknowledged his comments around potentially facing the same application issues as he had the previous year, but didn't think it would be fair to compensate him on this point, particularly as she had no evidence that he had attempted to open a new account.

As no agreement could be reached, the case was passed to me to decide.

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.

Having done so I don't uphold this complaint. I realise this will be disappointing for Mr E, so I've explained why below.

I should point out that my role here is to think about the individual circumstances of this complaint and whether Kent Reliance did something wrong which caused Mr E to lose out as a result. If I think Kent Reliance did something wrong, I can then think about what – if anything – Kent Reliance should do to set matters right. To help me with this, I've taken into account Mr E's detailed submissions about what happened. But if there's something I've not mentioned, it isn't because I've ignored it – I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having reviewed everything on file, I'm not persuaded Kent Reliance has made a mistake here. I can see Kent Reliance gave Mr E clear and relevant information by secure message; that to achieve the outcome he wanted, he would need to 'apply for the new account online or by visiting the nearest branch.' And that, once he'd done so, he could call, send a secure message, or write to have the funds moved. I accept Kent Reliance's explanation around the reasons for this, chiefly, that it requires its customers to review the terms and conditions of the accounts they're applying for. I note that the relevant information for the 4.27% option was contained in the maturity document sent to Mr E.

Mr E has made the argument that Kent Reliance was slow to respond, and that it didn't reply within the timescales it said it was going to. But Kent Reliance responded to Mr E with enough time for him to have taken the action it had recommended. Mr E has said a previous experience with Kent Reliance's systems meant he assumed he'd face the same issues again, and this is why he didn't attempt an application. Whilst I acknowledge his frustration, it remains that it was ultimately Mr E's decision to not attempt an application, despite the information given to him by Kent Reliance.

So because of what I've said above, whilst I accept Mr E will be disappointed with my decision, I can't fairly hold Kent Reliance responsible for the issues Mr E has faced.

My final decision

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 6 March 2025.

James Akehurst
Ombudsman