

The complaint

Mr R has complained that Santander UK Plc (“Santander”) failed to inform him that his 1-year fixed term ISA had matured, resulting in his funds being transferred into a lower interest rate savings account without his knowledge.

What happened

Mr R opened a 1-year fixed rate cash ISA which matured on 1 April 2024. Around the time that the ISA was due to mature Santander says it wrote to Mr R to inform him about his account, however Mr R says he didn’t receive the letters.

Around six months or so later, Mr R spoke to Santander to enquire about the status of his account. It was at that point he realised it’d matured a while ago and his money was by then, sat in a savings account earning a lower rate of interest than the fixed rate ISA had paid him.

Unhappy with this, Mr R complained to Santander. Santander issued its final response letter on 16 October 2024 and didn’t uphold the complaint.

After Mr R referred his complaint to this service one of our investigators assessed the complaint, but they didn’t uphold the complaint.

As Mr R didn’t accept the investigator’s assessment on his complaint, the matter was referred for an ombudsman’s 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.

Having considered everything, I don’t uphold this complaint. I will explain why.

Firstly, I think it may help to explain that I can only uphold this complaint if I think that it’s more likely than not that Santander did something wrong, or it acted unfairly or unreasonably in this matter. But from looking at the evidence I’ve been provided, I’m unable to conclude, albeit on balance, that Santander has acted incorrectly or unfairly.

The basis of Mr R’s complaint is that Santander failed to inform him that his fixed term ISA had matured. Given that he’d taken the account out a year before it was due to mature, I can appreciate that Mr R may’ve forgotten when exactly his ISA was due to mature and so was, quite understandably, relying on Santander to remind him of this.

Santander has provided evidence to show that it issued Mr R with a letter on 25 March 2023, confirming that his ISA had been set up and provided Mr R with details of the account in question – including that it was a 1-year product that had commenced from 1 April 2024. Santander has also provided a copy of a statement it says it issued for Mr R, which covered the transactions on the account for the period between 7 March 2023 and 5 March 2024. And Santander has also provided a letter dated 16 March 2024, which explained that Mr R’s

Fixed rate ISA was due to mature on 1 April 2024, and on that date, his account would become an instant access ISA savings account.

Looking at the address on the letters, it seems that they contained the correct address for Mr R. So I don't think it's the case that Santander had sent them out, but to the wrong address.

Therefore, it's either the case that the letters were printed but not sent – which is what Mr R suggests happened – or the letters were sent and they were either received by Mr R but he doesn't recall receiving them, or they were sent but were lost in the post.

Overall, when weighing up the different possibilities of what happened to the letter, I don't think there is enough evidence here for me to say it's more likely than not that Santander made an error by not sending the maturity letter to Mr R.

I say this because firstly, Mr R says that he usually receives mail from Santander – both in the past and in terms of the letters sent to him about his complaint. So, there is nothing to indicate that there was a wider issue with Santander sending mail to Mr R. Furthermore, there doesn't seem to be any specific reason why the maturity letter won't have been sent to Mr R. And the letters that Santander says it sent, clearly had the correct address for Mr R. I also think that it's just as likely, if not more so, that the letter could've been either lost in the post, or it was received by Mr R but accidentally overlooked by him. So, when considering the different possibilities, I think it's more likely than not that the letter was sent to Mr R.

So in summary, I don't think there is enough evidence here for me to conclude that Santander likely did make an error or acted unreasonably in this matter. It therefore follows that I don't think it would be appropriate in the circumstances, to ask Santander to pay the 'lost interest' that Mr R wants it to pay to resolve this complaint.

My final decision

Because of the reasons given above, I don't uphold this complaint.

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

Thomas White
Ombudsman