

The complaint

Mr G is unhappy with OneSavings Bank Plc trading as Kent Reliance.

When Mr G's previous ISA matured, he was unhappy with the new interest rate on the new product Kent Reliance automatically moved his investment into. Mr G said he expected Kent Reliance to move the money into the best interest rate product it had available, and that didn't happen.

What happened

The transfer to the new ISA took place while Mr G was abroad. Mr G said it was reasonable for him to expect Kent Reliance to put his money into the best similar product available. He said he should have been given the 4.51% cash ISA rather than the 4.35% cash ISA.

Mr G said the interest he will get for the year will be materially less than he should be entitled to when the product reaches maturity in November 2025. He said Kent Reliance should apologise for not giving him the highest rate.

Kent Reliance said the maturity options were generated on 17 November 2024. It continued the products were carefully selected for Mr G. But Mr G could ignore the options provided and choose others. It also said all options have a 14 day cooling off period so Mr G could reconsider.

Kent Reliance said Mr G made contact on 10 October 2024 which was before the 14 day time frame. It said at this point it couldn't truly gauge Mr G's options. Mr G confirmed he was going away so Kent Reliance said it explained *"the additional cooling off period of 14 days available post maturity and a penalty of 90 days applicable on all withdrawals/closures or transfer out received after the end of the cooling off period. During the conversation, you have expressed your interest to reinvest your maturity account in an Easy Access Cash ISA so that you can deal with your investment if you do not agree with the interest rate offered upon maturity. You were concerned that you wouldn't be able to access your options letter in time before you [went abroad]. We have requested you to contact us on a later date before the maturity to know more about the rates."*

Kent Reliance said despite this it had no further instructions from Mr G. So, it paid the matured funds into the default ISA paying 4.35% on 4 November 2024. It said the cooling off period ended on 17 November 2024 meaning the 90 day penalty would apply after that.

It said Mr G called on 3 December 2024 as he was unhappy with this. Kent Reliance said the cash ISA paying 4.51% had been withdrawn from sale on 31 October 2024 which was before Mr G's own ISA had matured on 3 November 2024.

Kent Reliance also explained how its own processes had been updated *"I can confirm that with effect from 2 May 2023, the postal and telephone channels were deactivated for Kent Reliance personal savings products for all new applications. All products that you see on the website are new products and all products would require an application to be submitted. This also means that post application forms will not be issued unless there are exceptional*

circumstances. Our customers will be guided to the Kent Reliance website to apply for savings products and we can also support you over the telephone to complete the online application if required. Alternatively, customers are able to apply by visiting their nearest branch where applicable. We are unable to take instructions over the telephone to reinvest your existing accounts to a new product which are advertised on our official website.”

It concluded because of this it wasn't going to uphold the complaint. Mr G remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said Kent Reliance acted fairly and reasonably. She said it had communicated clearly, wasn't misleading and had informed Mr G in a timely manner. Our investigator noted the ISA with the 4.51% interest had been withdrawn and wasn't available on the date Mr G's previous ISA matured. She also noted Kent Reliance needs customers to agree to terms and conditions before concluding new accounts. Our investigator said Kent Reliance could only write to Mr G as he wasn't registered for online services, so it wasn't able to correspond with him another way. She said in view of Mr G's travel arrangements there was only one working day between the options becoming available and Mr G travelling abroad.

Our investigator said the letter Kent Reliance sent clearly stated if instructions weren't provided it would place the matured funds in the 4.35% account. She felt Mr G was given sufficient advance notice and clear information on his options. Our investigator accepted Kent Reliance's point that by providing a guaranteed rate it was acting in customers best interests as other rates come and go and can't be guaranteed. She agreed the situation was unfortunate as Mr G was out of the country but said Kent Reliance's process was followed and it had made no errors or omissions.

Mr G remained unhappy about this and asked for his complaint to be passed to an ombudsman 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.

Mr G had rung in advance of the maturity and Kent Reliance had taken him through the process of what would happen and when. It had made Mr G aware of the extra 14 days available post maturity too. It noted Mr G had shown an interest in an Easy Access Cash ISA *“so that you can deal with your investment if you do not agree with the interest rate offered upon maturity.”*

Kent Reliance confirmed that when accounts are about to mature it does send a letter confirming reinvestment options around products it offers. It confirmed customers aren't bound by these options, but the options presented are the only ones it can take instruction on by secure messaging, a call or the form being returned. If a customer wants to invest in different products the customer would need to complete a full application. I don't think that's unfair.

It confirmed despite the variety of choices it puts forward to its customers these are merely offers and options for them. The decision on how to invest remains with the individual customer. Kent Reliance said this was where the 14 day cooling off period comes in. That allows customers to move their funds elsewhere. Kent Reliance said it doesn't state if the products offered match any other products. I think that's reasonable.

I note in the letter about reinvestment options Kent Reliance did give Mr G this option:

“3. Do nothing. We will automatically transfer your full maturity proceeds into D98 1Y MTRTY FXD RTE ISA 4.35% the day after your maturity date.”

It also provided details of other options - forms for investing in other accounts, sending to another nominated account, calling Kent Reliance to discuss, or transferring to another provider.

So, I accept its correspondence was clear and it did exactly as its options letter said it would do. It only documented the rate it was willing and able to guarantee that it would be able to deliver. Similarly, if a customer does choose a different product, I think it's right that Kent Reliance require customers to have sight of the terms and conditions before opening any different type of account. I think that's fair and reasonable.

Kent Reliance said as a gesture of goodwill it offered Mr G the opportunity to apply for another account online and it would allow him to move his funds and waive the penalty despite this being long outside the cooling off period. It said Mr G didn't take up the offer.

I can understand that Mr G knew there had been a product available in advance of maturity at a higher interest rate. But I think Kent Reliance has dealt with that clearly by confirming that product had been withdrawn a few days before Mr G's ISA matured. So, at the point when Mr G's funds were available to reinvest it wasn't possible to put it into the 4.51% ISA as that was no longer available. I think Kent Reliance has been clear, transparent, and reasonable on this issue. It couldn't move Mr G's money into a product that was no longer available.

Although I understand Mr G's stance that he should be offered the best rate I don't think Kent Reliance gave him that impression or indicated to him in the advance phone call that would happen. And Kent Reliance can't be held responsible for the issue of Mr G being out of the country. Maturity dates and expiry dates for products are always in place and the market can move quite quickly here. It seems it was unfortunate timing that Mr G was away at maturity, but I don't think Kent Reliance did anything wrong in the way it acted and the options it offered.

On top of that I think the goodwill gesture offer to move Mr G's money without penalty is a fair and reasonable offer. Our investigator also highlighted that other high interest rates were available for Mr G to swap to that would have limited further any loss. But she noted Mr G hadn't acted on this at the time. Based on all the evidence I don't think Kent Reliance did anything wrong.

My final decision

I don't uphold this complaint.

I make no award against OneSavings Bank Plc trading as Kent Reliance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 October 2025.

John Quinlan
Ombudsman