

### **The complaint**

Mrs M and Mr M have complained on behalf of company E about a commercial mortgage account it holds with Shawbrook Bank Limited. Company E said Shawbrook transferred funds without its permission. It also said interest rate change letters and annual statements weren't sent, and it has also complained about a phone call that took place in June 2024.

Any reference to Mrs M and Mr M in this decision should be taken to mean them acting on behalf of company E where appropriate.

### **What happened**

I won't detail everything that has happened as it is extensive and goes back many years. Instead I'll summarise some key points.

Company E holds a commercial mortgage account with Shawbrook, and there are also three other accounts which Mrs M and Mr M hold in their personal names. Here I'm just deciding a complaint about the account held by Company E, I'll be issuing a separate decision under a different complaint reference number about the other three accounts.

Company E has raised concerns over the years about its account, and this complaint just deals with the complaints that I've detailed above.

Our Investigator said he'd identified just one transaction where funds were transferred from this account to another. He said that took place in November 2018 and was done due to the fact the £60 payment was made using the incorrect reference number, so Shawbrook moved it from this account to the correct account. He said that had no negative impact on this account as it was simply correcting a mistake that had been made when the payment was made. He said whilst there were two other transfers, those were both credits into this account (rather than debits out) and he looked at those under the other complaint we're dealing with (which is looking at the three accounts held in Mrs M and Mr M's personal names).

He said that whilst he could see why it was frustrating that bank details were requested again in a call in June 2024 when they had already been given in May 2024, Shawbrook had apologised for that error. In respect of the interest rate change letters and annual statements he said those were all shown to be sent, and were correctly addressed, so on balance he didn't think Shawbrook had done anything wrong. He said, due to Company E paying by standing order, there were occasions when payments hadn't reached the account on time, and that Shawbrook had previously warned of this. He didn't uphold the complaint, saying the £100 compensation already offered by Shawbrook for the unnecessary phone call and delay in paying redress was fair.

Company E didn't accept our Investigator's findings. It said the account did go into arrears as Shawbrook used the credit on the account, and it was unsure why our Investigator said otherwise. It also said the £100 compensation was for something else.

## 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 trust Company E won't take it as a courtesy that I've condensed this complaint in the way that I have. Although I've read and considered the whole file I'll keep my comments to what I think is relevant. If I don't comment on any specific point it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome.

Company E has said the £100 compensation was for something else, but I don't agree. The £100 was offered in the complaint response letter of 18 July 2024, and Shawbrook has confirmed to our Investigator that the offer was for the unnecessary call for bank details and the delay in paying the redress, as well as an issue with the security questions on a call.

Company E said it's not been sent interest rate change letters, overpayment letters and the annual statements. It says the documents were only sent when it asked for them. I've reviewed the contact history and copies of the letters and annual statements, and I'm not persuaded that Shawbrook didn't send these to Company E automatically when they fell due. The letters and statements were all correctly addressed, and most correctly addressed post is delivered. It seems unlikely that Shawbrook would have chosen to generate the letters and statements, and then just not send them, and it also seems unlikely that all the letters and statements were lost in the post.

There was only one transfer that debited this account, and that was £60 in November 2018 and came about because Mrs M and Mr M said it had been credited to this account in error and so it was transferred off this account and onto the intended account. I've been unable to locate any other transfers out of this account.

Whilst Company E has said the transfer led the account to go into arrears that's not correct. The transaction history at the time shows the account was £60.17 in credit, so when the £60 was removed the account remained 17p in credit.

This is a daily interest mortgage so when Company E makes a payment the interest is calculated the following day based on that new lower balance; that's the daily interest element. The monthly payments due are calculated based on the assumption all payments will be made in full and on time. However, whenever a payment doesn't reach the account on time, extra interest will be charged due to the mortgage balance being higher than expected. I understand these issues go back to 2017 and 2018, but a more recent example of the late payment can be seen in December 2022 when the payment due date was 5 December, and the payment wasn't received until 6 December. If Company E wishes to continue paying by Standing Order, then it needs to set the payment to be sent sooner each month to ensure the payment reaches the account by the due date. By paying late, albeit only a few days, extra interest will be charged each time.

I've carefully considered the transactions on this account, and I'm satisfied Shawbrook hasn't caused financial detriment to Company E by the transfer it made out of £60 and it seems this was done at the request of Mrs M and Mr M.

I'm also satisfied Shawbrook has sent the annual statements to Company E when they were due, and that it also sent the interest rate change and overpayment letters. The overpayment letters over the years explained that the monthly instalment was changing due to the credit position that had built up following overpayments and what the new monthly payment was to be.

It's not possible for us to carry out a detailed or forensic audit of an account history. It's open to Company E to instruct a suitably qualified independent accountant to do that. That would have to be at Company E's expense, though if an error were found to its financial detriment it could include any reasonable costs of finding it in any fresh complaint that followed. But as things stand, in the absence of any evidence to the contrary, I'm not persuaded that Shawbrook has mismanaged the account in terms of the transfers.

I can see how strongly Mrs M and Mr M feel about this on behalf of Company E, and I'm sorry to disappoint them, but I don't uphold this complaint. I understand Shawbrook has made various offers of compensation across some of the complaints. My understanding is that all those payments have been made, however if any remain outstanding and Company E wishes to accept them, then it should contact Shawbrook directly to arrange that.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 29 December 2025.

Julia Meadows  
**Ombudsman**