

The complaint

Mr T complains that OneSavings Bank Plc trading as Kent Reliance failed to notify him that the interest rate on his Easy Access Account was reducing.

What happened

Mr T held an Easy Access Savings Account with Kent Reliance. He raised a complaint on 29 July 2025 saying he hadn't been notified of an interest rate reduction on his account.

Kent Reliance didn't uphold the complaint. It said it had written to Mr T on 11 July 2025 notifying him that the interest rate on his account would be reducing on 24 July 2025. It added that an email hadn't been sent to Mr T as he had opted out of marketing material.

Unhappy with the outcome, Mr T referred his complaint to this service. He said he hadn't received a letter and that opting out of marketing material shouldn't have prevented Kent Reliance from emailing him about interest rate changes.

At this point, Kent Reliance told us that there had been a delay in sending the letter dated 11 July 2025 – it had been dispatched on 18 July 2025. And, in recognition of the delay, it said it would like to offer Mr T £50.00 compensation, plus a payment of 14 days interest at 4.56% (the rate prior to the decrease) on his balance at the time which equated to £61.74.

One of our investigators put the offer to Mr T but he didn't accept it. He said that Kent Reliance had failed to send notification 14 days in advance of the interest rate change breaching the account terms and conditions. And he reiterated that opting out of marketing emails didn't mean that he shouldn't receive emails about interest rate changes.

So, the investigator went on to look into the circumstances of the complaint. Having done so, while she didn't think Kent Reliance had done anything wrong by sending Mr T a letter rather than an email, she did acknowledge the letter was sent late. But overall, she thought the offer that Kent Reliance's had now made was fair given all the circumstances of the complaint.

Mr T disagreed, so the complaint has been 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've come to the same overall conclusions as our investigator. I know this isn't the outcome Mr T was hoping for, so I'll explain why and provide further context of the reasons for my decision.

Mr T has said that to resolve this complaint he expects Kent Reliance to provide information about how many customers were affected by the postal delay and what mitigating actions

have been taken. And that it should update its terms and conditions to ensure all account changes are sent digitally.

So, I think it would be helpful to explain the remit of our service. We are not a regulator; we are an informal dispute resolution service. So, we don't have the power to tell a business to change its processes or account terms and conditions.

Rather, we look to see if a business' terms and conditions and procedures have been applied fairly given all the circumstances of each individual case. So, I won't be telling Kent Reliance to change its terms and conditions or provide the information Mr T has mentioned.

I can see that Mr T is unhappy because Kent Reliance has said that it didn't email him about the interest rate reduction because he'd opted out of marketing material. On this point, I am in agreement with Mr T. I don't consider notifying customers of interest rate changes on an account they already hold constitutes marketing material. But I don't think the outcome of the complaint turns on this point.

The terms and conditions relating to Mr T's account say - under section 28.8: *'We will send you personal notification (either by post, email, secure message, a message on your statement or in any other way that will be sent to you personally) at least 14 days.....before the change takes place'*.

And Kent Reliance has provided a copy of the letter it sent to Mr T. I appreciate that Mr T says he didn't receive the letter, but the letter is addressed correctly (the same address as what we hold on our records).

On balance, I think its most likely this letter was sent and I don't think I can fairly hold Kent Reliance responsible if correctly addressed mail didn't reach its destination. And, by sending a letter, I'm satisfied Kent Reliance acted in line with the terms of Mr T's account in respect of the communication method it used.

However, Kent Reliance has accepted this letter was sent late – outside the 14 days' notice period as set out in the terms. It has told this service this was due to the volume of letters it was sending to customers at this time. So, I'm satisfied that – in this respect, Kent Reliance did let Mr T down as it didn't apply the terms of the account fairly. So, what I must decide is whether Kent Reliance's' offer is enough to compensate Mr T for the impact this had on him.

It's not clear how Mr T became aware of the interest rate reduction, but as he complained to Kent Reliance on 29 July 2025, I'm satisfied he was aware of the interest rate reduction – at least, by this date. So, Mr T was able to mitigate any potential loss by making alternative arrangements for his savings by this date at least. And Kent Reliance has told us that Mr T has withdrawn his account balance.

Given Mr T was aware of the interest rate reduction within five days of the change taking place, I'm persuaded that Kent Reliance's offer ensures he didn't lose out because he was unaware of the interest rate reduction within the timescales set out in the term of the account. So, I think it's offer to pay him £61.74 which is equivalent to 14 days interest at 4.56% (the rate prior to the decrease) on his balance along with a further £50 compensation for the inconvenience the delay in sending the letter caused is fair.

My final decision

For the reasons explained above, my final decision is that I uphold this complaint.

OneSavings Bank Plc trading as Kent Reliance should now pay Mr T £50.00 compensation, plus a payment of 14 days interest at 4.56% (the rate prior to the decrease in the interest rate) on his balance at the time which equates to £61.74.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 10 March 2026.

Sandra Greene
Ombudsman