

The complaint

Mr and Mrs C brought a complaint to this service about Shawbrook Bank Limited ('Shawbrook') after their fixed rate bond reached maturity and they became concerned that they had lost out on the chance to choose what to do with the bond proceeds.

To put things right, Mr and Mrs C would like the Financial Ombudsman Service to engage with Shawbrook on their behalf and ensure that their instructions are actioned so that they do not have to spend more time trying to sort things out over the phone or face continuing pressure to have an online account.

What happened

Mr and Mrs C held an 18 month fixed rate bond in a postal account with Shawbrook.

On 16 March 2023, Shawbrook wrote to Mr and Mrs C informing them that their account was due to mature on 7 April 2023. This letter explained the options open to Mr and Mrs C to transfer, re-invest and/or withdraw some or all of the balance to their nominated account. The letter also stated that if Shawbrook did not receive instructions prior to the maturity date, the funds would be converted to a Matured Funds account paying 0.10% Gross/AER (variable).

On 31 March 2023, Shawbrook sent Mr and Mrs C a reminder letter saying it hadn't yet heard back from them and repeating the information about what would happen to their funds if no instructions were received before the account matured.

On 13 April 2023, Shawbrook wrote to Mr and Mrs C saying it had not received a response to the two previous maturity letters, so it had rolled the account balance into a Matured Funds account.

When Mr and Mrs C complained to Shawbrook that it hadn't actioned their maturity instructions and about lack of communication and poor service. Shawbrook didn't agree it had done anything wrong and didn't uphold the complaint. In summary, it said:

- although Mr and Mrs C had a postal account, so there was a longer timescale for actioning notifications, amendments or instructions, Shawbrook sent the maturity letters with sufficient time for Mr and Mrs C to be able to send their maturity instructions, and
- Shawbrook received no instructions from Mr and Mrs C before their bond reached maturity, and
- Shawbrook had reviewed its records and found that Mr and Mrs C had not phoned often, and on the few occasions that happened, it had not identified any poor service – but it was happy to investigate further if Mr and Mrs C provided more evidence.

Mr and Mrs C were unhappy with this response, so they referred their complaint to this service for an independent review. One of our investigators considered the complaint. He

didn't agree that Shawbrook had treated Mr and Mrs C unfairly or made any mistake, mainly saying:

- Shawbrook had provided evidence to show it posted the maturity letters
- they were sent in good time
- he hadn't received any evidence to show Mr and Mrs C hadn't received those letters
- he hadn't seen any information showing that Shawbrook had received any response to those letters so he couldn't say that it was responsible for not acting on instructions received.

Mr and Mrs C disagreed with the investigator so their complaint comes to me to consider afresh and make 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.

I've carried out an independent review and having done so, I've reached the same conclusion as our investigator and I'm not going to uphold this complaint. I'll explain my approach and how I've reached my decision.

Mr C has provided comprehensive submissions to support his view and whilst I've only summarised some of his main concerns, I'd like to assure him that I've carefully read and considered everything he's said. I've also carefully listened to what he's said on the phone.

The role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. I do not have the power to make rules for financial businesses. That's the role of the regulator, the Financial Conduct Authority (FCA). For these reasons I won't be responding to Mr and Mrs C's concerns about the way Shawbrook operates its business as this goes beyond my remit.

In order to uphold Mr and Mrs C's complaint I would have to find that Shawbrook has done something wrong or acted in a way that wasn't fair and reasonable, so that's the approach I've taken.

I've looked through Shawbrook's terms and conditions for Mr and Mrs C's account. I can't fairly say that Shawbrook made an error by not following its published procedures or that it acted other than in accordance with its business process and the account terms and conditions.

This doesn't automatically mean Shawbrook treated Mr and Mrs C in a way that was fair and reasonable and I've thought carefully about this. I've taken into account the following:

- the maturity letter Shawbrook sent Mr and Mrs C on 16 March said a full range of current products and interest rates appeared on Shawbrook's website. From what Mr C has said, I think it's unlikely Mr and Mrs C would've tried to look online for this information – Mr C said they cannot use the internet and they don't trust it. But Shawbrook's letter also included a wide range of new account options, listing 12 bond products with some basic details showing comparable Annual Equivalent Rates of interest (AER) and setting out the term – monthly or annual. So I think it is fair to say that Shawbrook provided quite a lot of useful information to Mr and Mrs C as I would reasonably expect it to do for postal account customers such as Mr and Mrs C who might not find it easy to readily access the information otherwise.

- A pre-paid envelope was also included which I think was a useful way for Shawbrook to assist Mr and Mrs C to provide their instructions.
- Shawbrook sent a follow up letter reminding Mr and Mrs C about the maturity date and telling them again what to expect if no instructions were received from them in time. So even if there had been any problems with postal deliveries, sending a reminder letter was a helpful way to try to ensure Mr and Mrs C were alerted to the need to provide alternative instructions if they did not want the funds from their matured bond to go into the default option of a low interest account.
- Shawbrook has shown me evidence from its records that indicates these letters were sent to Mr and Mrs C at their correct address. And I agree with the investigator that, even allowing for time in the postal system, Shawbrook's 16 March letter should have given Mr and Mrs C enough time to provide instructions ahead of the maturity date. Also keeping in mind the chaser letter Shawbrook sent when it did not hear back, I find that Shawbrook did what Mr and Mrs C were reasonably entitled to expect it to do.
- Shawbrook reasonably promptly confirmed to Mr and Mrs C what had happened to their matured funds and provided them with a telephone number so they could speak direct to the savings team to discuss options. If I have understood correctly, Mr C said this was confusing as the phone number was different to one they had been given previously. Whilst I am sorry Mr C did not find the information useful, I think it was helpful for Shawbrook to provide this information for customers and what Mr C has said about this does not affect the outcome of this complaint.
- Shawbrook has acknowledged Mr and Mrs C's concerns regarding potentially fraudulent activity and that they can choose to have a postal account. Shawbrook provided assurances to Mr and Mrs C that it has put in place strict security measures to protect customers' accounts and personal information. I can understand Mr and Mrs C's general point that online trading is not for them. But I do not think Shawbrook has acted unfairly or unreasonably when it has referred to this being an option they can always consider. I think it's useful for Shawbrook to point this out as it could help Mr and Mrs C avoid having to spend time on the phone (which Mr C has said is one of the reasons he's put off trying to ring Shawbrook). And providing online instructions would be more direct and quicker compared to using the post.

All in all, I haven't seen enough to show that Shawbrook did anything wrong or that it treated Mr and Mrs C in a way that wasn't fair and reasonable. So I can't uphold this complaint.

Mr C has raised several different complaint points over the course of this matter and I acknowledge that he feels very strongly about his complaint. I can completely understand why – he has many demands on his time and a lot of responsibilities, which makes it particularly difficult for him to deal with additional matters beyond managing the challenges he faces day to day. In the course of his phone conversations he has raised some more wide ranging matters. If I have not referred to all the points he's raised it's mainly because I have concentrated on what I consider to be the main points that affect the outcome of this complaint.

If Mr C feels he has further cause for complaint (that goes beyond the scope of the original complaint he brought to us), then he should first tell Shawbrook what his concerns are, so it has an opportunity to respond. If he still feels unhappy after that, he may be able to bring a new complaint to this service. I can't consider or award redress for any complaint where the financial business hasn't first been given a chance to put things right.

I hope that setting things out as I've done helps explain how I've reached my conclusions and even though this isn't the outcome Mr and Mrs C hoped for, they will at least feel that their complaint has been fully considered by the Financial Ombudsman Service.

My final decision

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 20 February 2024.

Susan Webb
Ombudsman