

The complaint

Mr O complains that United Trust Bank Limited (UTB) failed to remind him that his investment was about to mature. Because of this, Mr O lost out on interest.

Mr O wants UTB to compensate him for the lost interest and inconvenience.

What happened

Mr O held a one year fixed term account with UTB. The investment matured on 17 November 2023. As UTB had not received any instructions from Mr O, the funds were placed into a seven day account with an interest rate of 0.1%.

As Mr O hadn't received the funds as expected, he contacted UTB on 19 December 2023. UTB explained that it had sent a letter about the maturity of the investment to Mr O, followed up with a text message. Mr O said he had received neither forms of communication and thought UTB should have contacted him via the online messaging system, particularly as no other banks use the postal service to communicate with their customers.

Our investigator didn't uphold Mr O's complaint. He thought UTB acted reasonably when it sent Mr O a letter in early November 2023, telling him the account would mature in a few weeks. Our investigator accepted that Mr O didn't receive UTB's text message but was satisfied that it was sent.

Mr O is unhappy with the investigation outcome. He thought our investigator was going to ask UTB for proof that it sent the maturity letter and text message. Mr O also thought our investigator had ignored the fact that on 9 November 2023, UTB told him that it would change to using secure email rather than letter with immediate effect. Mr O said that UTB had enough time to use the new method to contact him ahead of the maturity date.

Our investigator shared a screen print from UTB which showed that its internal system had issued a text message to the number it held on file. He said that he took the maturity letter as proof that UTB had sent the letter to Mr O. Our investigator said that just because a business uses a different method to communicate with a customer, does not mean it has failed to communicate.

Mr O was surprised at the speed with which our investigator reached his decision given the complexities of the case. Mr O thought that our investigator should have conducted further research before reaching his conclusion, such as asking Royal Mail about any delivery issues and speaking to the mobile networks.

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.

First, I'm aware I've set out the background to this complaint in less detail than the parties and I've done so using my own words. Our rules allow me to take this approach. It simply

reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. It's just that I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

I understand Mr O's strength of feeling about the way that UTB chose to communicate with him. I have no reason to doubt Mr O when he says he didn't receive the maturity letter dated 1 November 2023. But I can see that UTB sent it to him at the address it held on file. Most correctly addressed post is received, so I can't blame UTB for any failing in the postal service. This is why I don't consider it necessary to enquire about any problems with the postal service around the time that UTB sent the letter to Mr O.

As UTB didn't hear from Mr O, it also sent him a text message. I appreciate Mr O didn't receive this message but based on the evidence supplied by UTB, I am satisfied that it was sent on 11 November 2023. Again, I don't consider I need to check with the mobile network as it was fair for UTB to assume that Mr O would receive the text message once it was sent. Particularly as its records indicate that it was sent successfully.

Mr O says that UTB changed the way it communicates with customers on 9 November 2023 but this was after it had sent him the letter on 1 November 2023. As UTB had already notified Mr O in line with its processes at the time, I don't think it was at fault for not subsequently sending him an email reminder.

Mr O sent us a spreadsheet detailing the communication methods of more than 25 banks and lenders, most of which use online secure messaging with an email prompt. But the fact that other banks use this method, does not make it unreasonable of UTB to have used letters and texts. I should also say that the FCA's website includes details of how various banks contact their customers. Some of these banks list letters as a means of communication, together with text messages. So, I don't agree that UTB was alone in choosing to send letters and texts to its customers. Or that the subsequent change to using secure email, means that the practice of sending letters was inappropriate.

As UTB didn't hear back from Mr O, it followed its usual process when it placed the funds in the seven day account. And UTB wrote to Mr O to let him know that this had happened. As I don't find UTB failed to notify Mr O about the upcoming maturity or the fact it had placed the funds in the seven day account, I don't require it to refund any lost interest or pay compensation. I am sorry that this is likely to disappoint Mr O.

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 Mr O to accept or reject my decision before 14 May 2024.

Gemma Bowen
Ombudsman