

## The complaint

Mr M complains Chetwood Financial Limited trading as SmartSave didn't give him a higher interest rate for his savings account, that was available during his maturity election window.

## What happened

SmartSave contacted Mr M when his 2-year fixed rate savings account was coming towards the end of its term. Mr M had between 25 May 2024 and 8 June 2024 to tell SmartSave what he wanted to do next with his money. On 29 May 2024 Mr M selected to reinvest the money into a 1-year fixed rate account at an interest rate of 5.13%.

On 31 May 2024 Mr M noticed the rate offered on SmartSave's 1-year fixed rate accounts had increased to 5.16%. And, when his new account opened, he complained to SmartSave that he wasn't given the higher rate.

SmartSave looked into Mr M's complaint but were satisfied they had made it clear that he was selecting a fixed rate of 5.13% and this couldn't be changed. Unhappy with their response, Mr M brought the complaint to our service.

Our investigator looked into the complaint but agreed SmartSave had made it clear that Mr M was selecting a rate that was fixed. And whilst unfortunate that a couple of days later the rate had increased – it's the nature of interest rates that they can go down as well as up.

Mr M maintained that, when selecting what to do next with his money, he saw a pop-up message which said that SmartSave would honour a higher rate if it became available during the maturity election window. As Mr M remains unhappy, 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 reached the same outcome as our investigator. I understand this will be disappointing for Mr M, but I've explained my reasoning below.

Having reviewed the information and documentation that SmartSave says would have been displayed to Mr M and what he went on to agree to, I believe SmartSave made it clear that the rate he was selecting at that time would be fixed. The summary box explains: *"Please note that the rates we offer can change at any time but once your Fixed Rate Savings account is opened, the rate will not change during the fixed term of the savings account."*

Mr M has argued that his new account wasn't yet opened when the interest rate was selected. However, when agreeing to the rate Mr M's account summary explained *"these rates are effective from 28<sup>th</sup> May 2024 and are fixed until the end of your product term."* Mr M would have had to confirm that he had read and agreed to those terms before selecting the new rate.

Mr M says he was shown a pop-up message when he was selecting his new interest rate which said if a higher rate became available before his new account opened, then the higher rate would be applied. However, having reviewed the evidence provided by SmartSave, which shows a step-by-step process of what Mr M would likely have seen – I've not seen anything to suggest that such a message is shown as part of the selection process. What the process does show however, is that on the end of terms options page SmartSave explains: *“So that we can make sure we're always offering the best rates we can, our rates will change from time to time. This means that the rates you see today may not be available tomorrow.”* So, I think it should reasonably have been clear to Mr M that rates could fluctuate and by agreeing to fix in his rate at 5.13%, that this couldn't be changed later on.

I do empathise with Mr M's position that two days later the interest rate offered increased. However, as our investigator explained, interest rates can go down as well as up. And looking at the historic rates on SmartSave's website – within the weeks before Mr M's election window opened – the interest rates had done exactly that. If the situation had been reversed and the rate had gone down after Mr M had selected his new rate, SmartSave would still have provided the higher rate that he'd already agreed to. Ultimately, Mr M chose to fix his rate in order to be certain about what he was opting into and SmartSave followed his instructions.

Overall, I'm satisfied Mr M was given clear information and so should reasonably have been aware he was selecting his chosen rate at 5.13% and that this wouldn't change. In all the circumstances I can't fairly recommend that SmartSave should pay him a higher interest rate.

### **My final decision**

For the reasons I've explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 February 2025.

Laura Davies  
**Ombudsman**