

## **The complaint**

Mr T complains that following his request for a full withdrawal of his funds from a savings account with Investec Bank PLC, the bank did not pay him the accrued interest. He said this was due to Investec's unclear information and unfair withdrawal arrangements.

## **What happened**

Mr T tried to withdraw the full balance of his funds from his 90-Day Notice Saver Account with Investec and expected this to be accompanied by the accrued interest. He said due to Investec's inadequate communication or warning, there was an incomplete transfer of funds. Specifically, he said that after the 90-day notice period, he wasn't told that £1,062.29 remained in the account due to accrued interest not being included in the withdrawal.

Mr T said this wasn't his understanding of a full balance withdrawal. He said Investec told him he would have needed to request an account closure to have interest included in the transfer, but this wasn't adequately explained during the withdrawal process. As a consequence, he said he proceeded with a standard full balance withdrawal under the impression that all funds, inclusive of interest, would be transferred.

Due to the lack of clear instructions, Mr T said he was faced with either forfeiting the remaining balance or awaiting another 90-day notice period. He said the delay is unreasonable considering he didn't know that a specific account closure request was required for a full balance transfer. He wanted the immediate release of the remaining £1,062.29, inclusive of accrued interest without another 90-day notice period. Mr T complained to Investec.

Investec responded that when a customer gives notice of withdrawal from a 90-Day Notice Account, interest will continue to accrue on the entire balance until the funds are transferred out, provided the balance remains above £5,000. Investec said if the entire balance and accrued interest is to be withdrawn, closure of the account is to be requested. It said when a full balance withdrawal request is made, the payment won't include any interest.

Investec said that this information is clearly communicated during the withdrawal process, and it sent Mr T an example screenshot of these messages. Investec declined the complaint saying that it had clearly stated in its online withdrawal screens that interest would not be included in Mr T's withdrawal.

Mr T wasn't satisfied with this response and referred his complaint to our service. Our investigator didn't recommend that it be upheld. She said the information from Investec was clear as it stated that the requested withdrawal amount excluded interest and offered an option to close the account. And this is in line with Investec's terms and conditions.

Mr T wasn't satisfied with this outcome and requested an ombudsman review his complaint.

The investigator said a separate complaint from Mr T about not earning interest on the remaining balance in his account as it is less than £5,000 would need to be considered by

Investec before it could be brought to our service. I have not addressed that complaint in this 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 was sorry to learn that what should have been a straightforward withdrawal process has turned into a prolonged and difficult experience for Mr T. My role is to determine whether what took place was fair and reasonable and whether Investec followed the process correctly.

In assessing whether Investec acted fairly, I've taken into account the relevant rules and guidelines. I have also considered Investec's terms and conditions and good industry practice. There are general principles that say a bank should conduct its business with due skill, care and diligence and pay regard to the interests of its customers. And, as Mr T has pointed out, the Financial Conduct Authority specifies that banks must treat customers fairly and communicate information clearly.

Mr T wanted to withdraw money from his account and is unhappy this didn't include interest. He said there was an insufficient response from Investec, as evidenced by messages with vague and confusing wording, not clearly informing that "full balance" doesn't include accrued interest unless the account is closed. He said this meant he proceeded with a full balance withdrawal under the impression that his funds and interest, would be paid.

Investec explained that when closure of an account is requested, after the 90-day notice period, the full balance along with any accrued interest up to the day prior to closure will be paid, at which point the 90-Day Notice Saver Account will be closed. But it said interest isn't paid unless the account is closed.

I have seen a screenshot of the message Investec sent Mr T during the withdrawal process. The message states; *'You're withdrawing your full balance – would you also like to close your account?'* And then under the heading 'Keeping your 90-Day Notice Saver' it states, *'Please note the amount you've decided to withdraw won't include any interest you'll earn during the notice period. This will be paid out to your Notice Saver on the 15<sup>th</sup> of each month as usual. You'll need to close your account if you'd like it included in your withdrawal.'* And Mr T was then offered the choice of closing or keeping the account again.

I have checked Investec's terms and conditions for Mr T's account. These state; *'You'll need to give us 90 days' notice if you want to make a payment from your Notice Saver. You can do this through your online dashboard.'* There is nothing here about the difference between withdrawal and closure in terms of interest payable. Investec said it doesn't document the withdrawal process in its product terms and wouldn't expect a bank to document such processes in its terms and conditions.

I disagree and think it would be preferable for the sake of complete clarity for Investec to include within its terms and conditions that interest will not follow when making a non-closure withdrawal. However, this is precautionary advice as I consider Investec's withdrawal process to be clear as the online instruction (above) explains that accrued interest is only paid when the account is closed. And customers are then given the option to close their account to enable accrued interest to be paid along with the closing balance. This means that key information accompanies a withdrawal that in order to receive interest, outside of the monthly payment, a customer needs to submit a closure notice.

Investec also makes the point that it clearly communicates that interest is paid on the 15th of each month and this provides customers with an expectation of their interest payments.

I was sorry to learn that Mr T's difficulties with Investec caused him financial inconvenience and undue hardship, but I haven't found that Investec were at fault, or that it has treated Mr T unfairly. I recommend that Mr T contacts Investec to discuss his options and if he hasn't already done so, arranges the closure of his account to receive the accrued interest.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 17 June 2025.

Andrew Fraser  
**Ombudsman**