

The complaint

A pension scheme trust which I'll call 'E' complains that Investec Bank Plc didn't close its account and transfer the account balance quickly enough which caused them a financial loss.

The complaint is brought on E's behalf by one of its trustees.

What happened

E had several accounts with Investec, a SIPP and SSAS Saver and a GBP Currency Access Account ('the GBP account'). Investec said that it wrote to E from June 2021 onwards saying that it would be closing the SIPP and SSAS saver and interest would cease being paid on the account balance from September 2021 onwards. In November 2021, Investec wrote to E again to say the GBP account would be closed in February 2022 and that the funds held in the account would need to be transferred to another account. Investec said it told E's trustees that no funds could be credited to this account after this date, and it was satisfied it had given E sufficient notice of the account closure.

In May 2022, Investec was contacted by an insolvency practitioner regarding the financial status of one of E's trustees. After ongoing discussions, in September 2022, the original trustee was removed and a new LLP trustee was appointed, and two members of the LLP were added as signatories on E's account. At this point, instructions were added to E's account with Investec to say that any future instructions must be signed by one of the LLP's signatories.

In 2023, E's trustees said they asked the bank to move its funds from the SIPP and SSAS saver into the GBP account, but it didn't do so. The trustees were unhappy with the bank's actions and asked our service to look into its complaint. This has been addressed under a separate case reference with our service.

E's trustees said they told Investec in November 2024 E wanted to close the GBP account and completed the relevant forms to do so. The trustees said Investec told them that there was no notice period for the account to be closed and it would be closed imminently, but that didn't happen. E's trustees said that E was timing this account transfer with a loan agreement entered into by the pension trust and the sponsoring employer. Frustrated that Investec's delays meant E was losing interest on its account balance, and that the sponsoring employer had been caused a financial loss as the loan couldn't complete as required, E's trustees made a further complaint.

Investec didn't uphold E's complaint. It said there was no evidence its staff had said the account would be closed imminently, only that it would be closed once the necessary checks had been completed. It said there were various steps that it needed to take before closing an account, and it was satisfied that there hadn't been any unnecessary delays in closing E's account. The trustees didn't agree and asked our service to look into E's complaint. E's trustees said that the delay in closing E's account meant E was losing interest on the account balance, and if Investec couldn't close the account and transfer the funds immediately, it should have communicated the timescale from the outset.

Our investigator didn't recommend the complaint be upheld. She didn't think Investec had caused unreasonable delays in the account closure. She said E asked Investec to close the account in January 2025 and at that time had said there were issues opening a new account, so it wasn't fair to hold Investec responsible for that. The investigator said on 4 February 2025, E confirmed the new account had been opened and Investec had responded on the same day requesting the account closure instruction be made by a signatory from the LLP trustee, which wasn't received until 12 February 2025. She also said that Investec had then needed information about the financial situation of the original trustee before the funds could be released, and that this was reasonable as the original trustee had still been engaging with Investec throughout. The investigator said that as she didn't think Investec had done anything wrong, she wouldn't be recommending it refund any losses claimed by E, nor could she look to reimburse any losses to the sponsoring employer as this was a third-party and E was the eligible complainant.

E's trustees didn't agree and asked for an ombudsman to review E's complaint. They said in summary that:

- Investec had promised to meet the required deadline to tie in with the loan.
- This complaint should be considered in conjunction with the original complaint raised with our service as they related to the same issue dating back to 2021.
- By dismissing the loss caused to the third party, we were ignoring the interconnected nature of the employer and the trust.
- Consideration hadn't been given to the communication and assurances given by Investec and the process the bank said it was required to follow.

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'm sorry to disappoint E's trustees but I'm not upholding the complaint, so I won't be asking Investec to refund the losses claimed by the trustees. I haven't addressed every point that the trustees have raised because I have focussed on what I believe is the crux of the complaint. The informal nature of this service allows me to do so. I also don't think it's fair for me to consider all the complaint points that E's trustees have requested. I'll explain why.

SIPP and SSAS balance transfer

I recognise the trustee's frustration as they say this complaint should be considered in conjunction with E's previous complaint as the events date back as far as 2021. However, in December 2023 the trustee's asked our service to look into E's complaint that Investec didn't move its funds into an interest-bearing account. E's trustees provided a copy of Investec's Final Response Letter of 21 November 2023 as part of that submission. Our service requested further information from the trustees and when this wasn't received, our investigation was closed. Our rules for considering complaints are set out in the Dispute Resolution ("DISP") section of the Financial Conduct Authority's handbook of rules and guidance. These rules say that if a complainant fails to comply with a time limit our service can treat the case as withdrawn and not investigate the merits of the complaint.

Although our service didn't initially provide a specific timescale for E to respond, our usual timescales would be a maximum of eight weeks. In this case, E's trustees didn't contact our service again until March 2025, a further fifteen months after we'd requested information. Our role is to be impartial to both parties and given the significant time that has passed I think it would be unfair to Investec for me to consider this complaint. Therefore, my decision is that I am unable to consider E's complaint that it was unable to move funds from the SIPP and SSAS Saver into the GBP account as part of this case.

The GBP account external balance transfer

The trustees told us that they contacted Investec about the notice period and intended closure of E's account in November 2024. E's trustees say their interpretation of this email conversation is that the account closure would be imminent, rather than subject to a delay. Firstly, I just want to clarify that the evidence supplied by E's trustees shows that the email conversation took place on 9 December 2024, rather than November 2024. Furthermore, I've reviewed the email conversation between the trustees and Investec, and whilst I acknowledge the trustee's interpretation of the content, I'm not persuaded Investec said the closure would be imminent, only that there was no notice period. However, I do think it worth noting here that even if the expectation was the account would be closed quickly, the terms and conditions of E's account with the bank say that it can refuse or delay any requests until such point that it is satisfied it isn't breaching any of its obligations. And those obligations may not become apparent until a formal request is submitted, which appears to be the case with E's account closure request.

On 24 January 2025, I can see that E's original trustee contacted Investec to say that the new account provider had opened the account in the trustee's name, rather than E. E's original trustee also asked if Investec could pay the balance of the funds to E's solicitor, rather than to the new account provider. Investec responded within less than twenty-four working hours to ask which solicitors would be used. However, the trustees didn't respond to Investec until eight days later when they said the account was opened and requested the transfer. Investec responded the same day and requested authority from the LLP trustees as it had only been corresponding with the original trustee as a representative at that time, and it was unable to accept their authority. Investec also asked for confirmation in the instruction of whether both of E's accounts should be closed. The instruction from the LLP trustee was subsequently received by Investec on 12 February 2025 and passed to its closure team for its checks. I'm satisfied that there weren't any unreasonable delays caused by Investec.

As part of its closure checks, on 19 February 2025 Investec asked for confirmation from E's original trustee about their financial status. Investec explained that once it had this confirmation and had spoken to the LLP trustee to confirm the instruction, it would be able to close E's account within two business days. I recognise that the trustees have questioned whether or not the additional information requested from the original trustee was proportionate and applied consistently, and I'm satisfied it was. Investec has legal and regulatory obligations that it must meet and it's a commercial decision it is able to make on how it does this. That's not something our service would interfere with unless we thought it was behaving unfairly.

In this case, I've seen that Investec was undertaking these checks and requesting the additional information to ensure that it was protecting its customer, E. Furthermore, I've reviewed Investec's internal emails, and I'm satisfied that the bank was proactively progressing the trustee's closure request. I can see that once it had all the information it required, Investec closed E's accounts within the two business days it had advised to the original trustee. So, I don't think Investec behaved treated E unfairly here or behaved unreasonably.

I recognise that E's trustees will likely be disappointed with my decision. But based on everything I've seen, I don't think Investec has done anything wrong on the part of the complaint that I can consider. Therefore, it follows that I won't be asking Investec to do anything more.

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 E's trustees to accept or reject my decision before 28 January 2026.

Jenny Lomax
Ombudsman