

The complaint

Mr B complained that OakNorth Bank plc (OakNorth) said he had to serve notice of 95 days to transfer money from his existing deposit account to his new OakNorth deposit account.

Mr B says the terms are unfair because OakNorth didn't have to give notice before they reduced the interest rate.

What happened

OakNorth contacted Mr B to say the interest was going to decrease to 4.06% AER on his existing 95 Days' Notice Base Rate Tracker Deposit Issue 9 Account because the Bank of England decreased the base rate from 4.00% to 3.75%.

The next day Mr B opened a new 9 Month Fixed Term Deposit Account with OakNorth and planned to transfer the funds from his existing account to his new account.

He called OakNorth to complete the transfer but was told he needed to provide a notice period of 95 days. This caused a further issue because Mr B only had a 14-day funding period to make a deposit to his new account.

Mr B said the terms of the account are unfair because OakNorth didn't have to give him advanced warning that it was going to drop the interest on his existing account, so he raised a complaint.

In its final response, OakNorth said it acted in accordance with its terms and conditions and didn't uphold the complaint.

Mr B remained unhappy so brought his complaint to this service. The investigator said the action taken by OakNorth was in line with how the account is set up to operate and found it had acted in line with its terms and conditions.

Mr B disagreed and maintained his belief that the terms are one-sided because OakNorth don't have to give notice when it changes the interest rate whereas he must provide notice to transfer funds. He asked for his case to be reviewed by an Ombudsman.

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 agree with the investigator's conclusions, and I will outline my decision below.

I think it would be helpful to explain how the 95 Days' Notice Base Rate Tracker Deposit

Issue 9 Account works.

The two main features of the account work as below.

Firstly, the notice element of the account works by paying interest in exchange for a commitment to give notice before making withdrawals. In Mr B's case, this is 95 days' notice. These types of accounts generally offer a higher interest rate because the financial business stands to benefit from customers not being able to withdraw funds immediately.

The second element is how the interest is calculated. Mr B's base rate tracker interest is made up of two parts.

The first mirrors the Bank of England base rate. When the Bank of England base rate rises the interest Mr B receives also rises. When the base rate decreases, the interest Mr B receives also decreases.

The second is the "spread" which is the amount OakNorth add or subtract from the Bank of England base rate.

The two components then total the final interest Mr B would gain on his savings.

On 18 December 2025, the Bank of England base rate changed from 4.00% to 3.75% which resulted in OakNorth decreasing the total interest on Mr B's deposit account to 4.06% AER.

In the product specific terms and conditions (section 3.3) OakNorth explains that it's only required to give notice if it makes changes to the spread as this is the component that they can control. OakNorth doesn't have control over the Bank of England base rate, so these changes happen automatically as laid out in section 3.1 of the terms and conditions.

As part of his challenge of the investigators view, Mr B provided evidence of terms and conditions which say OakNorth should give notice of changes to interest, but this is relating to the spread not the base rate. When OakNorth reduced the interest in December, the spread remained at 0.31%, which is the same as when the account opened. As OakNorth have not amended the spread, I am satisfied it didn't need to give advance notice of the interest change and has acted in accordance with its terms.

Mr B says that OakNorth's terms are one sided and unfair, so I have considered this as part of my decision. The deposit account functions to align with the base rate, so if the Bank of England increased the base rate, then OakNorth would increase the interest on Mr B's account the next working day. This means Mr B would stand to benefit from no advanced notice if the base rate increased and due to this, I don't agree that OakNorth's terms are one sided.

Whilst I understand the decision will disappoint Mr B, I can't say that OakNorth has made an error when amending the interest on his account or enforcing the 95-day notice period and I haven't found the terms to be one sided. The account has operated as it sets out in its terms and conditions.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or

reject my decision before 5 May 2026.

Jessica Lees
Ombudsman