

The complaint

Mr M complains about the service he's received from Advanced Payment Solutions Limited trading as Cashplus Bank ("Cashplus").

What happened

Mr M complained to Cashplus regarding a number of issues he'd experienced with it including but not limited to:

- providing incorrect timescales in sending him his code key;
- incorrect signposting for external support to assist with completing ATM dispute forms due to his medical condition;
- technical issues which prevented him from fully utilizing its digital channels; and
- the inconvenience experienced by not actioning his request to complete manual transfers.

Cashplus investigated Mr M's concerns and offered him £75 in compensation as a gesture of goodwill which he accepted in settlement of his complaint.

Cashplus provided Mr M with 60-day notice of closure of his bank account with it on 18 August, but this was changed to immediate closure on 23 August due to Mr M's behaviour which Cashplus considered threatening, discriminatory and abusive.

Mr M was unhappy with this and brought his complaint to this service.

One of our investigators looked into Mr M's concerns and thought that Cashplus should've done more to assist Mr M with his manual transfer payments and that it shouldn't have closed Mr M's account without notice. They thought Cashplus should compensate Mr M a further £225 (on top of the £75 already paid) for the distress and inconvenience caused by this. But they didn't think Cashplus needed to take any further action in relation to Mr M's other complaint points.

Mr M has indicated to this service the compensation wasn't enough and that he felt compensation should be in the range of £575-750. But Mr M has said to Cashplus that he fully agrees with our investigator's recommendations and wants to settle matters and directed it to pay £225 into a personal bank account held with another provider.

Cashplus mostly agreed with our investigators findings but thought the compensation recommended excessive – pointing out it was within its rights to close Mr M's account without notice given his behaviour to its staff.

So the complaint was progressed for an Ombudsman's decision.

I issued my provisional decision on 7 February 2024. In my provisional decision, I explained why I was proposing to uphold Mr M's complaint. I invited both parties to let me have any

further submissions before I reached a final decision and neither Cashplus or Mr M have added any new information.

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.

In my provisional decision I said that:

"I am currently minded to reduce the compensation recommended.

Code Key

Mr M complained there was a delay in the sending of his code key. Mr M requested his code key on 19 July and the order was registered on the same day. Mr M was incorrectly told that the code key would be received in three working days when the process takes 10 working days. But as the code key was issued within the 3 working days he was told and expecting – on 21 July – and within the 10 working days timeframe Cashplus set down, I don't consider there was any detriment and as such don't think Cashplus needs to do anything more here.

Access to Cashplus' online banking facilities

Cashplus has accepted on occasion that customers have experienced the issues Mr M described with accessing its online banking facility and have advised the issue is being investigated. To assist while it was investigating the issue Mr M was advised to download its mobile app and offered Mr M assistance to log into it – which Mr M declined.

As far as I'm aware Mr M was still able to access information on and any funds held in his account through ATM withdrawals, over the phone or as suggested by downloading Cashplus' app. So I don't think that Cashplus has treated Mr M unfairly in the support it provided when he had difficulties accessing his online banking with it – as Cashplus attempted to provide him with an alternative means of accessing his account online while it investigated the issue and he still had what I consider reasonable access to his account and I can't see what more Cashplus could do in the circumstances.

ATM dispute

Mr M complains about the service he received when he wished to dispute an ATM withdrawal. Cashplus have already accepted it made an error when it provided Mr M with incorrect information about external support he should use to complete the required dispute forms. But as I understand it Cashplus contacted Mr M within around two hours of this and assisted him with completing the forms over the phone. So I'm satisfied it did enough to put things right for Mr M and provided him with the support he needed in raising his dispute.

Furthermore, Mr M says the ATM machine failed to dispense the money requested, but I'm satisfied that from the limited evidence Cashplus has and has passed to this service about the disputed ATM withdrawal, that Cashplus wasn't unreasonable in coming to the conclusion it did that the ATM had dispensed the cash correctly. As the system screen shot shows that the ATM balance decreased by £100 after Mr M's transaction.

DSAR

Mr M complains that when he requested a DSAR that Cashplus failed to register the request straightaway and that he had to make a call chasing it to do this. But there is no evidence to

suggest there would've been a delay outside the timeframes Cashplus had to adhere to for this type of request. So I don't think I can say things would've been any different if Mr M hadn't called about it.

Furthermore, as Mr M hadn't requested a particular method to receive the data, I don't think Cashplus did anything wrong when sending it initially by post – before Mr M made it aware of his preference and at which point Cashplus adhered to. So this being the case, I don't think there has been any failing on Cashplus' behalf here.

Request for manual transfer payments

Mr M requested Cashplus make some manual transfer payments for him – one of which he said was for the payment of service charges for which he was in arrears – as shown on the eviction notice he provided to us. Mr M says he couldn't make the payments himself due to technical difficulties he was having.

Manual transfers aren't a service Cashplus usually provides though it does have the ability to do this at its discretion. It should be noted that Mr M's Cashplus account didn't yet hold the money he wished to transfer – he wished to have an answer on whether Cashplus would carry out the transfers first before he credited his account with the funds in question.

The Cashplus advisor Mr M spoke to suggested Mr M deposit the money directly into the account he wished to credit – but Mr M said that money laundering regulations prevented him from doing this. Mr M was advised that Cashplus wasn't able to offer Mr M a manual cash transfer on this occasion.

Following this Mr M says he received an eviction notice. While I accept given Mr M was already in arrears for his service charges, whether he was able to pay his service charge or not by manual transfer likely wouldn't have made a difference to the overall outcome – it's disappointing that Cashplus could've assisted Mr M at a point when it had the knowledge of his circumstances and the technical difficulties he was having with accessing his account online, but chose not to do so.

But in saying that I fail to understand why Mr M had to use his Cashplus account to make the transfer, as presumably the money he wished to transfer was being held somewhere in another account. So although I think Cashplus could've been more helpful here, I don't think the outcome would've been any different.

Closure of Account

Cashplus issued Mr M with 60 days account closure notice on 18 August along with its final response letter. This was changed to immediate closure on 23 August which Cashplus says is within its rights under the terms and conditions of the account.

I agree it was within its rights to close Mr M's account with no notice given what it's said about Mr M's behaviour towards its staff, but that by no means meant that it had to. Even though it had in my opinion justifiably made the decision to terminate its banking relationship with Mr M – I think it should've still given Mr M more time to sort out his banking affairs as it had already provided him with notice and given him the expectation he had some time to do this. So I agree that this element of Mr M's complaint should be upheld.

Our investigator recommended Cashplus compensate Mr M £300 (including the £75 already paid) for the distress and inconvenience suffered by Mr M due to the failure to assist Mr M with making manual payments and withdrawing the 60-day notice period for the closure of his account.

Cashplus think this is excessive – and in the circumstances of this complaint I agree. I've listened to hours of phone calls between Mr M and Cashplus staff and I can understand why it made the decision to end its banking relationship with Mr M. At different points Mr M has asked Cashplus staff to do what I consider unreasonable tasks - such as reading out the entire terms and conditions of an account or other policy documents. Furthermore, given the number of complaints Mr M raised during his short time with Cashplus – I don't think it unreasonable to conclude that he wasn't happy with the level of service he'd received and perhaps his banking needs were better off being met somewhere else.

So, although I think Cashplus should've waited out the notice period before closing Mr M's account – I think overall it was within its rights and justified in closing it. So on this basis I'm currently minded to reduce the compensation as recommended by our investigator to £50 (on top of the £75 already received).”

Cashplus believes that as it hadn't made an error in closing Mr M's account his complaint shouldn't be upheld. But ultimately my decisions are based on what is fair and reasonable – and although Cashplus was entitled to close Mr M's account immediately, I don't think this action was fair and so this is the reason I think Mr M's complaint should be upheld.

My final decision

For the reasons I've explained, I uphold Mr M's complaint against Advanced Payment Solutions Limited and direct it pay Mr M £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 April 2024.

Caroline Davies
Ombudsman