

The complaint

Mr I complains Charter Court Financial Services Limited trading as Charter Savings Bank (CSB) delayed transferring funds he instructed it to. He also complains it closed his account without his agreement and disclosed sensitive information to a third party causing him financial loss, distress and inconvenience.

What happened

Mr I said after transferring all the funds out of his savings account, CSB sent a letter to his old address. This letter explained CSB had closed his account and included details of the funds he had recently transferred. Mr I has provided evidence of the detrimental effect this letter had due to a third party discovering it. I will not go into details regarding this here, as both parties know what happened.

Mr I complains CSB didn't tell him that by reducing his balance below £1.00, his account would automatically close. This would also trigger CSB sending a letter by post confirming the closure, which also included details of his recent balances and transactions. He also complains CSB didn't follow his instructions regarding contacting him, explaining CSB had previously agreed not to write to him by post.

Mr I further complained two transactions he instructed CSB to make took too long. He explained these transactions took two working days to reach his nominated account. Mr I has explained this delay caused him distress and inconvenience as he needed to pay for services immediately and was concerned he wouldn't be able to. He further complained CSB hadn't told him it didn't use the faster payment system, where such transactions process much quicker.

CSB wrote a final response letter to Mr I. It quoted its terms and conditions which stated if an account is closed, *'we will send you a paper statement showing payments to and from the Account in the month prior to the account being closed'*. CSB confirmed its policy was to post a closing statement to the customer's address on file. They explained this was because of security and once an account was closed, information would only be available for a limited time on its online platform.

CSB also referred to the terms and conditions regarding minimum deposits, it said *'If your account balance falls below £1, the Account will close.'* This term is also repeated under the deposits section of the terms and conditions.

CSB said and provided evidence, its system tells customers their account will close if they arrange a withdrawal which leaves the balance below £1.00. The customer would have to select *'confirm'* in this situation to a question of *'complete the transfer and close the account'*.

CSB also confirmed it didn't use the faster payments system, and the facility it uses can take two working days for transfers. It explained, if a customer organises a transfer before 3pm on a working day, the transfer will complete to the nominated account by 5pm the following day.

Our investigator didn't think there was evidence to support CSB had made a mistake. They explained Mr I should have kept his address up to date with CSB. They thought CSB had complied with its terms and conditions regarding the account closure and sending a closing

statement. They explained the evidence shows Mr I's transfers had occurred in line with the terms and conditions for the account.

In response, Mr I said he had told CSB to contact him by email and CSB had accepted and apologised for failing to do this already. He also explained he had asked CSB not to send out post to him, so it had again failed to follow his instructions.

With regards to the transfers, Mr I said CSB's terms and conditions were '*ambiguous*' and gave him a reasonable expectation of faster payments inline with other banks.

As Mr I rejected our investigator's recommendation his complaint has been passed to me to make a final 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 appreciate how strongly Mr I feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

I will consider first the account closure and correspondence sent to Mr I's previous address. I was sorry to hear of the difficulties Mr I has recently experienced, and I can see from the evidence Mr I has provided, the discovery of these documents by a third party appears to have had a significant impact on him.

However, before I consider any impact, I must first examine whether I am persuaded CSB has done anything wrong. As explained above, the terms and conditions appear clear, when the balance of an account goes below £1.00 CSB will close it. I also note this is one of the 'key product details' for this account. It is also clear that when CSB close an account its policy is to send a closing statement to the address it has on file.

I accept it is unusual for accounts to automatically close in the manner described, but it is a term and condition of the account, which I am satisfied would have been made available to Mr I when he opened the account. I am also satisfied this term and condition is a commercial decision CSB are entitled to make, and not something our service would therefore interfere with. Whilst I can understand why Mr I is unhappy CSB sent a letter to the address it had on file, it has explained why it does this. The reason it gave for doing so was for security purposes and there is only a limited period customers can access such information after closing the account.

I appreciate Mr I has said CSB hasn't been consistent, providing evidence that statements are available for 12 months online, after an account closes. CSB has said statements are only available for a 'limited' period of time. Having considered this, I'm not persuaded this is inconsistent. 12 months is a *limited* period, if Mr I wanted to refer to his online statement after 12 months, he wouldn't be able to, whereas a paper record would be more durable.

Mr I has said he asked CSB to only send emails or secure messages, but I don't think it is unreasonable to expect financial businesses to send certain important, sensitive information and updates by post. In my experience this is standard industry practise. Having listened to the telephone calls Mr I made to CSB, Mr I admitted he wasn't living at the address he provided to CSB when he opened the account. There is an ongoing responsibility on customers to ensure the information they provide to financial businesses is up to date and accurate.

I can see Mr I has also provided notes from a conversation he had with CSB in January 2024. Whilst these notes suggest Mr I asked CSB to send letters regarding this complaint via its secure message platform, I haven't seen evidence which persuades me Mr I asked to not receive *any* post. I also note CSB didn't confirm it could send an email, explaining it needed to send a 'flyer' with the correspondence, which it might need to post.

I can see Mr I has also submitted a series of emails and correspondence from CSB where he has asked for responses by email or secure message. Having carefully examined these in detail, whilst I can see various contact was requested by these methods through his previous complaints, I can't see CSB either agreed to send all further correspondence by email or secure message, or that Mr I specifically asked for this.

CSB has also further explained its reasons for sending out a closing statement by post. It said it didn't consider email as a secure enough method for such sensitive information.

For these reasons, I don't think in these circumstances it was unreasonable of CSB to send this information out by post. In summary the terms and conditions appear clear on this point, CSB has explained the reasons for these terms and conditions, and Mr I hadn't updated his address details, accepting the details he provided were incorrect when he opened the account. I therefore do not uphold this element of Mr I's complaint.

I can see Mr I has also complained about how long two transfers to his nominated account from his CSB account took.

I have listened to the calls which Mr I made between 18 and 23 May 2025 regarding these transfers. The information provided by CSB was consistent throughout, which was transfers organised before 3pm would credit the nominated account by 5pm the next working day. I am satisfied this happened for both transactions in question.

Mr I's frustration appears to be regarding the lack of clarity around time frames for these funds reaching his account, explaining he was used to transfers happening quicker. However, how a business chooses to make such transfers is once again a commercial decision it is entitled to make, provided it is clear about this and its terms and conditions are fair and reasonable. Section 11 of the terms and conditions, Mr I would have agreed to when opening the account, are also consistent with what Mr I was told by CSB over the telephone.

I can understand why Mr I was frustrated, without needing to go into detail, he needed to pay for an extremely time-critical services the day the funds were due into his nominated account. I appreciate this was a stressful situation for him, and I was pleased to hear the funds for the transactions did reach his nominated account before 5pm.

I am therefore satisfied CSB complied with its terms and conditions and don't think it acted unreasonably or unfairly here.

I appreciate Mr I is likely to disagree with my decision, but I trust I have explained in sufficient detail why I can't reasonably find CSB did anything wrong, or direct it to put right.

My final decision

For the reasons I have given, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 17 November 2025.

Gareth Jones
Ombudsman