

The complaint

Mr T complains Nationwide Building Society (NBS) provided poor customer service when dealing with the recall of a payment he made in error.

What happened

Mr T says in late September 2023 he made a genuine error and made an online payment of £1,370 to a fitness centre instead of his partner. Mr T says the fitness centre had gone into administration. Mr T says when he advised NBS of the issue he received little help or support from them, to assist him recovering the funds and the only communication he did receive didn't provide him with any explanation of why he couldn't get his funds returned or what had happened in the course of NBS's investigations.

Mr T says the only explanation he received from NBS was the payment was unable to be recovered for "*non-recovery no response*" which he feels doesn't explain fully why his funds couldn't be returned or what steps he now needs to take. Mr T didn't feel NBS took his concerns seriously.

NBS says it initiated its credit payment recovery (CPR) process on the day Mr T contacted them. NBS says unfortunately the payment wasn't able to be recovered and a letter was sent to Mr T on 8 November 2023 explaining the next steps he needed to take, including possible legal action. NBS says this was also explained to Mr T in a telephone call on 10 November 2023 and while NBS understands Mr T never received this letter, it can't be held responsible for that.

NBS says it carried out the CPR process correctly and within its standard timescales.

Mr T wasn't happy with NBS's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says he couldn't see NBS had made an error in how it dealt with the issue or was at fault because it was unable to recover the payment. The investigator says the receiving bank wouldn't be able to debit the account of the beneficiary without their agreement and explained in these circumstances Mr T would need to contact the beneficiary directly.

The investigator didn't feel NBS had taken too long to act on its CPR process and while Mr T says he didn't receive the letter it sent in November 2023 explaining the outcome, the investigator couldn't hold NBS responsible for its non- receipt.

Mr T didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting for Mr T to realise he had unfortunately made an online payment to the wrong beneficiary and that would have been a stressful time for him. When looking at this complaint I will consider if NBS could have done more to support Mr T in the recovery of the payment he made in error.

The first thing to say here is the payment made online was a genuine mistake by Mr T and not of NBS's making. In these circumstances I would expect NBS to carry out a CPR and keep Mr T informed of the outcome and on balance I am satisfied it did that here.

I say this because from the information I have seen NBS initiated a CPR on the day Mr T telephoned them in late September 2023 and it sent a letter to confirm this, in which it stated it couldn't guarantee the monies would be returned. Additionally, I can see that a letter was sent within the set timescales expected to Mr T on 8 November 2023, explaining the outcome and possible next steps, including taking independent legal advice.

While I understand Mr T says he never received this letter, from the information I have seen I can see it was addressed correctly, so it wouldn't be fair of me to say NBS must be held responsible for its non-delivery.

So, taking everything into account I am satisfied NBS carried out the CPR in accordance with its process and wrote to Mr T explaining the outcome, having previously explained to Mr T the recovery may not be successful. While I have some sympathy with Mr T here, I can't say NBS have acted unreasonably, and he may wish to consider either contacting the beneficiary directly as advised by the investigator or consider taking legal advice on the matter.

While Mr T will be disappointed with my decision, I won't be asking anymore of NBS here.

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 T to accept or reject my decision before 5 June 2024.

Barry White
Ombudsman