

The complaint

Mr and Mrs L say The Royal Bank of Scotland Plc (RBS) sent an inaccurate, unnecessary text about their account, and subsequent random ones.

What happened

Mr L received two arranged overdrafts alerts by text in April 2024. He says as he as an auto-transfer agreement between his accounts this should never have been sent. It led him to think he was the victim of a scam causing stress and worry. He says such texts are also sent at random as when he his account has been in the same position on other dates he has not received an alert. He is also unhappy with how RBS handled his complaint about this matter, amongst others.

RBS says there has been no bank error. The alerts are sent earlier in the day than the auto-transfer takes place. In the instances Mr L raised there items due to be presented for payment that would *at that point in time* take the account overdrawn – but the auto-transfer prevented this from being the position at the close of business.

It explained that Mr L had only started to receive such alerts as whilst he had opted out on 9 December 2019, Mrs L had not opted out and she updated her mobile details with Mr L's number on 11 April 2024. It acknowledged however that Mr L had not received the service he should during the broader complaint investigation and for this it credited his account with £100.

Our investigator did not uphold Mr L's complaint. He said there was no evidence the bank's explanation was incorrect or that it made an error.

Mr L disagreed. He said we had not investigated why these texts are sent on a random basis. He should never have received the first one after many years operating an auto-transfer. He insisted the alerts are random as he has received just three texts but the account is regularly in the situation RBS described in the final response letter. Mr L gave certain examples. He concluded saying the text service is a disgrace and, in their obvious case when they could never go overdrawn, it has no rationale other than to cause anxiety.

Our investigator discussed Mr L's concerns with RBS sharing the specific examples he had given when he did not receive an alert. The bank explained that the transfer of funds using online banking (as Mr L did in the examples he gave) is a different situation, as the balance would offset immediately given the immediate nature of Faster Payments. A regular payment can still be returned if sufficient funds are not available at the time of the auto-sweep at 14:00, after it has debited shortly after midnight. Hence, no SMS text alerts would be issued for the transfers that Mr L has mentioned.

Mr L remained unhappy and asked for an ombudsman's review. He re-iterated that they should never have received a text as they had more than adequate funds available and the first one, after many years of having the same auto-transfer arrangement, caused an enormous amount of stress. He thought they had been scammed. He believes he has also proved that the texts are only sent on a random basis which he says is an absolute disgrace.

He wants adequate compensation for the distress and inconvenience the alerts caused.

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.

To reach my decision I have taken into account the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time.

I am not upholding Mr and Mrs L's complaint. I'll explain why.

I understand that Mr and Mrs L were alarmed when they received the first alert given they had an auto-transfer agreement in place. However, based on the available evidence I cannot agree that the bank did anything wrong. The alerts started as Mrs L had updated her mobile contact details giving Mr L's number and she had not opted out of the alert service. And RBS has explained why an account with the auto-transfer facility in place can still receive the alert due to timings. It has also clarified why Mr L would not receive the alerts in certain circumstances to demonstrate that the alerts are not sent at random.

I can see Mr L feels very strongly about this matter, and is not satisfied with the bank's explanations. But we are an evidence-based service and I have not seen anything to allow me to conclude that the bank's explanations are not valid.

I note it also explained in its final response letter how Mrs L can opt out of the alerts that are going to Mr L's number, as indeed Mr L did in 2019. In addition, the alerts indicated that the account was about to enter its arranged overdraft and charges might be incurred if cleared funds were not paid in – so as Mr and Mrs L had an auto-transfer agreement in place they would have been aware that funds would be paid in.

So, in the round, I am satisfied that RBS has not treated Mr and Mrs L unfairly. All customers receive (or don't receive) alerts in the same circumstances, and there is the facility to opt out if they are not required. It follows I am not instructing it to compensate Mr and Mrs L.

I note Mr and Mrs L are also unhappy with how RBS responded to their complaint (which covered this and a number of other issues that it did not bring to our service). But this is not something I can look at. There is a difference between a complaint about a financial service and a complaint about how a firm has handled a complaint. I can only look at the former. Mr and Mrs L's concerns about how RBS responded to their complaint is not a complaint about its provision of or failure to provide a financial service – it's distinctly about complaint handling. And under our rules I cannot consider complaint handling

My final decision

I am not upholding Mr and Mrs L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs L to accept or reject my decision before 24 October 2024.

Rebecca Connelley
Ombudsman