

The complaint

Mr A complains about how Nationwide Building Society (NBS) treated him when his account was in an overdrawn position.

What happened

The circumstances that led to the complaint are well known to both parties, so I won't repeat them in detail and will aim to provide a brief summary. Plus, our investigator provided a detailed summary in their view.

In May 2025, when Mr A's account was overdrawn and close to its overdraft limit, a payment was presented for payment and was reversed due to insufficient funds. Mr A was unhappy with this as he had in the past received a text alert about payments in these circumstances, but this did not happen on this occasion. Mr A did then receive an alert but on a different day so logged a complaint with NBS about their inconsistency.

NBS investigated the complaint and spoke to Mr A, resolving the complaint on condition they supplied some information, which they did. Unhappy with the way NBS resolved the complaint, and their explanation as to what happened, Mr A brought the complaint to our service saying that the consistency of the alerts had not been explained, the complaint was closed by NBS without his agreement, and, he had not received an explanation about the later text alert he received.

Our investigator looked into the complaint and concluded that NBS did not need to take any action. Our investigator explained the messages that had been sent and that they should not be relied upon by a customer as there remains a customer responsibility to monitor their accounts and balances.

Mr A remained dissatisfied and requested an ombudsman review his complaint.

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 have looked at the information NBS has supplied to see if it has acted within its terms and conditions (T&Cs), and to see if it has treated Mr A fairly.

I'm aware I have only summarised the circumstances of Mr A's complaint above. So, I'd like to reassure him that I have read and considered everything he has told us in full. And I hope the fact that I do not respond in a similar detail here will not be taken as a discourtesy. In terms of the text alerts, Mr A has suggested that NBS's perceived lack of consistency indicates that there was some kind of system issue at their end. But from what I've examined in this case, the alerts that were sent, including different types, did show consistency in line with NBS's processes.

Regarding the later alert that Mr A questioned as unnecessary, I can see this has been explained by our investigator and NBS so I don't feel I need to address this any further.

One aspect that I regard as significant and overarching in this complaint is the responsibility to ensure there are sufficient cleared funds in an account in readiness for debit transactions. NBS's T&Cs make it clear that Mr A or any customer bears responsibility to ensure there are sufficient funds available for items to debit an account. I have quoted in italics, the relevant section below for clarity:

Your obligations

Taking money out of your account

15. To ensure that you can always pay for things you want, it's important that you make sure you have enough money available to use (including any arranged overdraft limit) before you ask us to make a payment.

So whilst I regard the text alerts that NBS have sent in the past, and will continue to send, as helpful reminders, I believe it reasonable for NBS to expect its customers to ensure they maintain sufficient funds to allow payments to be debited from their accounts.

I note Mr A has commented that he does take responsibility that he needs to make sure there is sufficient funds in his accounts which is encouraging to hear. And going forward, the text alert system does need to be regarded as something not to be relied on – which I believe Mr A has done - but an addition to his own checks. I'm aware that Mr A checked his account balance in the days before the payment rejection, demonstrating that he has the required access, although this forms another reason why I can't find NBS responsible for what happened.

Going forward, Mr A is free to continue his use of NBS's text alert system, in conjunction with his own checks, which I'm glad he has access to. If Mr A remains in any doubt as to NBS's policy in this regard, or whether a future transaction will be honoured by NBS, I would suggest he makes contact with them to do all he can to avoid any recurrence.

Finally, in terms of Mr A's concern about how his complaint was closed, this is classed as complaint handling, an activity which our regulator regards as non-regulated. Accordingly, it falls outside of this service's jurisdiction meaning I cannot address it.

In view of the above points, and in the absence of any evidence showing that NBS made a mistake, I cannot require NBS to take any further action towards Mr A.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 16 October 2025.

Chris Blamires

Ombudsman