

The complaint

Mr N complains that Progressive Building Society (PBS) didn't tell him about the impact of making a payment into his savings account on the monthly savings limit.

What happened

Mr N opened a savings account with PBS. The account has a monthly cap on deposits of £300. On PBS's advice, Mr N transferred £1 to the account when opening it, to make sure he had the payment details correct.

Mr N then attempted to pay £300 into the account. This payment was returned because he had already paid in £1 that month and therefore a payment of £300 would take him over the limit. The following day, Mr N transferred £299, and this payment was accepted.

Mr N complained. He said PBS should have returned £1 – as that was the amount he was over the limit by – not the full £300.

PBS said that the account would only accept £300 per month maximum. Any payments which would exceed that would be automatically rejected. But it said that the return was due to its suggestion of paying in £1. While that was a good suggestion to make sure he had the correct details in place, it should have warned him that this would count towards the monthly total. PBS therefore upheld his complaint.

Mr N didn't accept that. He said that this had caused him distress and inconvenience, and he wanted PBS to compensate him for that.

Our investigator said that because Mr N had been able to pay in £299 the following day, and therefore had saved the maximum that month, there wasn't any significant financial loss. He didn't think the upset Mr N had been caused merited an award of compensation. Mr N didn't agree and asked for an ombudsman to 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.

Having done so, I agree with the investigator. I don't think Mr N has suffered any significant financial loss here. He paid in £299 one day later than he intended to, but one day's lost interest on £299 is a few pence at most.

I also don't think an award of compensation for distress and inconvenience is warranted. PBS – as it accepts – could have explained that the £1 payment would count towards that month's limit. But I think Mr N could reasonably have been expected to realise that too. He knew the account had a £300 limit, and he knew he had paid in £1 – from which it must follow that he only had £299 left that month.

PBS has explained its automated system refunds any payment where that payment would take the account over the monthly maximum. I think that's reasonable, and it explains why it

refunded the full £300 payment rather than the £1 excess. I don't think PBS did anything wrong here – even if other banks and building societies would handle this differently.

I'm sorry Mr N was distressed by what happened. I've considered what he's said. I've also taken into account our guidance on awards of compensation.¹ I think this case comes within the category of minor inconveniences to be expected of everyday life. It was put right quickly and had no lasting impact on Mr N. PBS acknowledged what happened in its complaint response. But it didn't make an offer of compensation. In all the circumstances I don't think that was unfair.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 2 January 2026.

Simon Pugh
Ombudsman

¹ <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience>