

The complaint

Mr P complains about the way Nationwide Building Society (“Nationwide”) communicated with him in relation to an outstanding balance on his credit card account.

What happened

Mr P has a credit card account with Nationwide. In March 2025, Mr P, via a debt charity (DC) sent Nationwide an offer to settle the outstanding debt at a reduced amount. Nationwide didn’t accept the offer; and Mr P didn’t think this was fair given that other lenders had agreed to settle debts at reduced amounts.

Mr P says that both himself and the DC were under the impression that the outstanding balance on the account was £1,190.34; and therefore, he paid this to the account to settle what he thought he owed. However, a debt still remained, which Mr P says that Nationwide didn’t make him aware of.

Nationwide didn’t uphold Mr P’s complaint. It explained that it had declined Mr P’s offer to settle the account at a reduced amount. It said that there was an outstanding balance on the account following a lump sum payment, which it had tried to contact Mr P about by letter.

Mr P says he didn’t get any of the letters Nationwide says it sent. And he said that Nationwide should have updated his address as he thought that the DC had notified Nationwide of his new address.

An Investigator considered the information provided by both parties, but they didn’t think Mr P’s complaint should be upheld. In summary, the Investigator explained that Nationwide had done enough to make Mr P aware that there was still an outstanding balance. And they didn’t think Nationwide had done anything wrong when it sent the letters to the address it held on file.

Mr P didn’t agree with the Investigator’s view. He said that the DC had updated all of his creditors with his new address in April 2023, which is when he moved. He added that Nationwide and the DC communicated regularly about repayments and the outstanding balance left to pay, so the payment of £1,190.34 was made in genuine belief that this would clear the debt.

Because an agreement couldn’t be reached, the complaint has been passed to me to decide on the matter.

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 considered all of the evidence available, it is my decision not to uphold Mr P’s complaint. I appreciate that this will likely come as a disappointment to Mr P; but I will explain how I have reached my outcome below.

Before I do that, I want to make it clear that I have read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

I understand Mr P is disappointed that Nationwide didn't accept the offer he made to settle the account at a reduced amount; especially as some of his other creditors did agree to a reduced settlement. But Nationwide isn't required to accept a reduced settlement amount, and so I can't fairly conclude it acted unfairly or unreasonably here. While I appreciate other lenders might have agreed to a reduced settlement, it is ultimately up to each lender to decide if it's prepared to settle for less than what is owed; and just because Nationwide didn't agree to this, it doesn't follow that it has done something wrong.

I note that following Nationwide's rejection of the offer, Mr P made a payment of £1,164.82 to the account on 7 April 2025. Mr P says that at the time both he and the DC thought the balance was £1,190.34.

I have seen Mr P's statement for April 2025. This shows that the balance outstanding at the time Mr P made the lump sum payment was £1,313.90. Therefore, the payment he made wasn't enough to repay the account in full and a balance was left outstanding which required repayment.

I understand Mr P feels that Nationwide are ultimately to blame for the DC not having the correct figure for the outstanding balance. Based on the information I've seen, I can see that when the DC wrote to Nationwide, it had recorded the outstanding balance as £1,190.34; and Nationwide doesn't appear to have corrected it on this. So, it probably could have done more here to let the DC know what the balance was as it was clear that the amount it had recorded wasn't right. That said, Nationwide's records show that the correct balance was provided in March 2025, when Mr P completed a financial statement. I can also see that it spoke to DC on more than one occasion in March 2025, so DC also had the opportunity to check the outstanding balance. Ultimately, while I agree that Nationwide could have done more to correct the DC on the balance; the correct balance information was available for Mr P to check, and it was his responsibility to know what the outstanding balance was, if it was his intention to settle it in full.

Nationwide has explained that statements were still being sent to Mr P, so he ought to have been aware of what was outstanding. Mr P says that he didn't get any of the letters Nationwide says it sent to him about the outstanding balance; I presume this also means that he didn't get the statements Nationwide says it sent to him either. It appears the reason Mr P didn't get this information was because Nationwide didn't have his up-to-date address and so letters were being sent to an old address. Mr P says that Nationwide should have had his new address because he had updated this with the DC, and the DC had updated the rest of his creditors.

I can see that Nationwide spoke to the DC about the address issue. Nationwide let the DC know that Mr P would need to contact it to update his address. I don't know if this information was passed onto Mr P or not, but I'm of the view that Nationwide did enough to let Mr P, via the DC, know what he needed to do in order to update his details. I also don't find it unreasonable of Nationwide to have requested Mr P do this himself.

Given that Nationwide didn't have Mr P's current address, I can understand why Mr P didn't receive any of the letters Nationwide said it sent him; nor was it likely he received the statements that would have shown the outstanding balance. But the onus was on Mr P to ensure that Nationwide had his up-to-date address information. Taking everything into account, I don't think that the issues Mr P had in not receiving post from Nationwide was as a result of something Nationwide had done wrong.

Ultimately, there was still a debt outstanding on Mr P's account after he made a lump sum payment to it. While I can understand why Mr P would have been disappointed to find that this hadn't settled the debt; I don't find that this is as a result of something Nationwide has done wrong. I say this because it was up to Mr P to ensure that he knew what the outstanding balance was before he repaid it. Nationwide had provided statements to let him know what the balance on the account was, and it also wrote to Mr P to let him know that there was still an amount outstanding. While I accept Mr P didn't likely receive the letters or statements Nationwide sent directly to him, I don't think this was as a result of something Nationwide had done wrong. So overall, I haven't found that Nationwide acted unfairly or unreasonably.

I note Mr P has also said that Nationwide didn't respond to his request to close all of his accounts and a subject access request (SAR) within 30 days. But because these are new points, Mr P will need to raise these separately with Nationwide, and I won't be commenting on them as part of this decision.

My final decision

For the reasons set out above, I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 13 May 2026.

Sophie Wilkinson
Ombudsman