

complaint

Mr S complains that Nationwide Building Society failed to cancel a direct debit and as a result he is being unfairly pursued for a debt.

background

Mr S says that in December 2006 he went into a Nationwide branch and asked to cancel a direct debit. The direct debit was not stopped. There were insufficient funds in the account and the direct debits were returned. As a result, his account entered an unauthorised overdraft and there were further charges. In 2008 the society passed the account to its collections department and stopped charges and interest. Later it passed the account to a debt collection company, which is now pursuing him for the debt.

Nationwide said it had no record of Mr S asking for the direct debit to be stopped in 2006. The society said it notified him of the charges on his monthly statements and it attempted to call him on several occasions. It said it spoke to him more than once about the account in 2009 and he was aware of the status of the account. The society was unwilling to refund the charges. Unhappy with this response, Mr S referred his complaint to this service.

Our adjudicator did not recommend that the complaint should be upheld. She said, briefly:

- Nationwide had notified Mr S of the charges and did try to contact him numerous times.
- Mr S contacted the society in 2009 and the adjudicator believed that he could have resolved the matter at the time.
- She sympathised with his position but, having reviewed his account statements, she considered that the charges had been applied in line with the terms and conditions. She could not ask the society to refund them.

Mr S disagreed with the adjudicator's conclusions. He was certain that he cancelled the direct debit in 2006.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr S is adamant that he cancelled the direct debit in 2006, but Nationwide says it has no record of this. There is no other evidence to support either version of events. However, the main issue in this complaint is the accumulation of charges after that time. The society sent statements to Mr S and tried to contact him, but he seems to have ignored the problem. When the adjudicator asked him why he let things go on for so long, he said he assumed the situation had gone away.

Like the adjudicator I sympathise with Mr S, who is facing a debt made up entirely of account charges and interest incurred in 2007 and 2008. But throughout that period he had opportunities to deal with the problem. I am satisfied that the society made efforts on its side, and that he was informed of the growing debt. The charges were applied in accordance with the account terms and conditions and, in the circumstances, I cannot say they were unfair.

It is also clear that Mr S knew about the debt in 2009. He assumed that nothing further would happen and he was therefore disappointed when the debt was eventually sold and he was pursued for it. But the debt did not grow after 2008, so he has not suffered any loss as a result of the elapsed time.

I realise that Mr S will be disappointed by my decision, but I do not find that Nationwide has acted unfairly or unreasonably.

my final decision

My final decision is that I do not uphold this complaint.

Colin Brown
ombudsman