

## **The complaint**

Mrs P complains that Nationwide Building Society failed to set up a direct debit to make payments to her new credit card and failed to provide her with credit card statements.

## **What happened**

In January 2022 Mrs P opened a credit card account with Nationwide. She didn't use the account until July 2022.

When she opened the account Mrs P asked Nationwide to set up a direct debit from a joint account held with her husband to pay the balance on the credit card account in full each month. Mrs P thought Nationwide had done this and didn't make any manual payments to the account.

In August 2022 Nationwide applied late payment fees to the account. It also applied a temporary block to the card. It sent letters to Mrs P advising her that she had missed payments and that two lots of late payment fees had been applied to the account. Mrs P received these letters in September 2022.

Mrs P called Nationwide to find out what had happened and made a payment to clear the balance. Nationwide refunded one of the late payment fees but said it couldn't refund the second for policy reasons.

Mrs P complained to Nationwide. She said she made it clear when she opened the account that she wanted the direct debit set up. She also said she hadn't received monthly statements and hadn't been advised that these were available online.

Nationwide didn't uphold Mrs P's complaint, so she complained to this service.

I issued a provisional decision in which I upheld the complaint. I found that, having promised Mrs P that it would set up the direct debit, Nationwide should've done so. Alternatively, it should've contacted Mrs P and explained that it had been unable to set up the direct debit.

I listened to the calls between Mrs P and Nationwide and said I thought that Mrs P had been left with a clear impression that the direct debit would be set without anything further needed on her part.

I considered the argument put forward by Nationwide that Mrs P could've logged on online and viewed her statements and that if she had done so she would've seen that the direct debit hadn't been set up and that there was an account balance. I found that Mrs P had no reason to log online because as far as she was concerned, Nationwide had followed her instructions in setting up the direct debit to pay the balance in full each month. Nationwide had also suggested that Mrs P should've noticed that the direct debits weren't coming out of her account each month, but I found that Mrs P wouldn't necessarily have been aware of this because the instruction was to set up the direct debit from the joint account she shared with her husband, which was an account managed by her husband.

I also looked at the letters sent to Mrs P about the late payments and found that these weren't sent until September 2022. I said that Nationwide could've done more to communicate with Mrs P sooner than this and I found it likely that had they done so, Mrs P would've settled the account straightaway and avoided the second late payment charge.

I decided that Nationwide should remove the second late payment charge from the account and pay compensation of £100 to Mrs P for the distress and inconvenience caused as a result of its failure to set up the direct debit.

I invited both parties to let me have any further evidence or arguments they wished to raise. Both parties responded and said they had nothing further to add.

### **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.

Neither party has adduced any further evidence or made any further arguments. In the circumstances, I see no reason to reach a conclusion which is different to that which I set out in my provisional decision.

### **Putting things right**

Nationwide Building Society must clear the second late payment from Mrs P's account and pay Mrs P compensation of £100.

### **My final decision**

I uphold the complaint. Nationwide Building Society must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 12 October 2023.

Emma Davy  
**Ombudsman**