

## **The complaint**

Ms P has complained that an account switch has not been processed by Nationwide Building Society ("Nationwide").

## **What happened**

Ms P attempted to complete a partial account switch, with the aim of moving over Direct Debits from her account with another provider to Nationwide. However, the switch was not successful and she says that Nationwide blames the other financial business, whereas the other financial business blames Nationwide for the switch not proceeding.

Unhappy with how Nationwide handled the switching process, Ms P complained to Nationwide.

Nationwide issued its final response on 20 March 2023 and it said the three switch requests did not proceed as the other provider didn't respond. Nationwide said that it was unable to speak to the other provider and said that Ms P would need to contact the other provider and ask that a block is removed from the account.

Unhappy with Nationwide's response to her complaint, Ms P referred her complaint to this service.

One of our investigators assessed the complaint and they upheld the complaint. They concluded that the reason why Ms P's switch request had not been completed was due to Nationwide blocking the switch. To resolve the complaint, they recommended that Nationwide manually process the switch and also pay Ms P £200 compensation for the distress and inconvenience caused to Ms P by this matter.

Nationwide responded and said that the rejection code was not unique to it and was a code applicable to all users of the current account switching service. Nationwide says that the switching service says that the first two attempts to switch were rejected by Ms P's other provider. Nationwide says that the other provider is preventing the switch from taking place by not accepting the switch. Nationwide also said that it was unable to complete the switch manually as both it and the other provider are members of the Current Account Switching Scheme.

Following this, the investigator arranged for Nationwide to attempt the switch again. However, Ms P confirmed that she'd already manually cancelled her payments and set them up again on her new account.

The investigator concluded their assessment of the complaint by saying that she was unable to say which business was at fault - as they were blaming each other for the failure of the switch. So she said that the blame should be split and that both businesses pay Ms P £150 compensation for the distress and inconvenience caused.

Nationwide did not accept this. It said that the evidence (including an email chain between it and the other provider) show that the fault lay with the other provider.

As such, the complaint was referred for an ombudsman's decision.

I reviewed the complaint and issued my provisional decision on 6 August 2024, explaining why I thought it was fair to hold the other provider responsible for the switching process not completing. I have included an extract of my provisional decision below and it forms a part of this decision.

***“What I’ve provisionally 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 reviewed everything, I’m currently minded to not uphold this complaint. Firstly, having considered what has happened, I do feel a great deal of empathy for Ms P.*

*She attempted to use the current account switching service, which was meant to remove the stress and hassle of moving accounts. Yet using that service on this occasion has clearly been very frustrating and stressful for Ms P. In this instance I think it’s fair to say that the switching service failed to do what it was meant to do. Therefore, what is left for me to decide is who is at fault (or at least who should be held responsible for the failure) and what redress is fair in the circumstances.*

*I have read through the evidence that both Nationwide and the other provider has submitted on both complaints. I can see that the other provider said it accepted the switch requests and essentially said the ball was in Nationwide’s court.*

*However, looking at an email exchange between Nationwide and the other provider, it is clear that there was a technical fault that meant that, although the other provider was attempting to accept the partial switching instructions it received, this was not being recognised on the Current Account Switching service system. Indeed, I have seen evidence to show that the first two switching attempts were rejected by the other provider (although I acknowledge that as far as the other provider was concerned, it had accepted them).*

*From what I can understand, the other provider was genuinely trying to comply with the switching instruction. But, for whatever reason, the switching service was not recognising its responses correctly.*

*Therefore, I do acknowledge that it, technically speaking, may not necessarily have been the other provider’s fault. I accept it’s possible that the failures that occurred could’ve actually been due to a fault of the processing system it uses. But I also can’t rule out the possibility that the other provider was not following the correct technical procedure when accepting the switching instructions. But that being said, I’m satisfied that the fault that affected the other provider (but not Nationwide) resulted in the switching instructions to be recorded as being rejected.*

*So in the circumstances, I think it is reasonable to hold the other provider responsible for the impact that this had on Ms P. I say this because I can see that Nationwide made multiple attempts to carry out the switch and it seems most likely that the reason why the switching service didn’t proceed was because of the other provider’s failure (or inability) to accept the instructions.*

*I can see that Nationwide has already paid Ms P £75 compensation due to this matter. In the circumstances, I don't think that Nationwide needs to pay Ms P any further compensation.*

*Although, for the sake of completeness, I would like to make it clear that I intend to require the other provider to provide compensation to Ms P as a result of this matter.”*

After I issued my provisional decision Nationwide said it agreed with my findings. And Ms P didn't respond.

### **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 reconsidered, as neither party has provided any new information for me to consider, I see no reason why I should reach a different outcome to the one I reached in my provisional decision.

In summary, I'm satisfied that the issues with the partial switch that Ms P attempted was not due to anything that Nationwide did. I am therefore satisfied that it can't reasonably be held responsible for the difficulties that Ms P faced when she attempted to switch accounts.

### **My final decision**

Because of the reasons given above and in my provisional decision, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 18 September 2024.

Thomas White  
**Ombudsman**