

The complaint

Mr B is unhappy with the service he received from Nationwide Building Society surrounding a current account switch application he made.

What happened

On 13 June 2024, Mr B applied to switch his current account to Nationwide to take advantage of a £200 switching incentive that Nationwide were offering at that time. Within his application, Mr B was asked what his contact preference was. Because Mr B was overseas, and so couldn't receive mail at his UK address, he selected 'email' as being his contact preference. Shortly afterwards, Mr B received an email from Nationwide telling him that Nationwide would be in touch about his switch application within ten working days.

But Mr B didn't receive any further emails from Nationwide during the next ten working days. And so, on 27 June 2024, when the ten working day period advised to him had expired, he contacted Nationwide via live chat. During the chat, Nationwide's advisor told Mr B that his application was still being checked and provided Mr B with the direct phone number for the applications team. In response, Mr B explained that he was overseas and didn't want to call, and Nationwide's advisor offered to reach out to the applications team themselves and ask them to message Mr B via his online banking, which Mr B confirmed he would monitor. A complaint was also raised about the lack of communication Mr B had received at that time.

Mr B continued to hear nothing from Nationwide, and on 3 July he reached out to them again via live chat. This time, Mr B was told that his application couldn't be processed because Nationwide couldn't conduct a credit check on him because his credit file was locked. Mr B was again given the direct phone number for Nationwide's applications team, but he again explained that he didn't want to call as he was overseas. In response, Nationwide's advisor told Mr B that they would again contact the applications team and that Mr B would likely hear from Nationwide's complaints team the following day.

Following this, Mr B continued to receive no communication from Nationwide, and so he called them from overseas on 11 July 2024 and provided the password so that Nationwide could access his credit file. However, because of the time that had elapsed since Mr B had first submitted his current account switch application, that application had expired. This meant that Mr B had to submit a new application, which he did. But this application wouldn't benefit from the switching incentive because that incentive had now ended.

Nationwide then responded to Mr B's complaint and noted that they had sent several letters to Mr B's UK address asking him to contact them about his application, and that because of this they didn't feel that they were responsible for Mr B not being able to complete the account switch in time to receive the £200 incentive. However, Nationwide did note that, regarding the second switch application, the credit file password that Mr B had provided hadn't been passed on to the relevant team, which had caused further delays. Nationwide apologised to Mr B for this and paid £75 to him as compensation for the trouble and upset he'd incurred as a result.

Mr B wasn't satisfied with Nationwide's response, so he referred his complaint to this

service. One of our investigators looked at this complaint. They didn't feel that Nationwide had been clear in their communication to Mr B, including that Mr B had been led to believe he would be contacted by Nationwide when that wasn't the case. As such, our investigator said that Nationwide should pay the £200 switching incentive amount to Mr B. Nationwide didn't accept the recommendation put forward by our investigator, so the matter was escalated to an ombudsman for a final decision.

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.

Nationwide have explained that it is their policy, when attempting to contact current account switch applicants about issues with their application, to do so by posted letter. It therefore seems somewhat spurious and misleading to me that Nationwide would ask within their application what an applicant's contact preference was, if they have no intend to act in accordance with that preference.

Given that Mr B was asked what his contact preference was, and selected 'email', I feel that it was reasonable for him to have expected Nationwide to have contacted him by email – even if this only to let him know that a letter had been posted to his UK address. And I feel that if Nationwide had given Mr B the courtesy of contacting him via his preferred channel in the manner I've described above, that it's likely that this matter would have been resolved sooner than it was so that Mr B would have been able to arrange for the switch to take place during the timeframe required for him to have qualified for the incentive payment.

Additionally, I'm in agreement with our investigator that the standard of communication and service that Mr B received when communicating with Nationwide via live chat was below that which Mr B was reasonably entitled to expect.

This includes that Mr B was led to believe that he would be contact by various Nationwide teams, which didn't then take place. And I also feel that both advisors that Mr B spoke with should have been more assertive in their explanations to Mr B that he should call the applications team and should have done more to explain that Mr B's application might 'time out' and that he might not qualify for the switch incentive if it did.

Of course, it's for Nationwide to set their policies and procedures, and I have neither the remit nor the authority to instruct Nationwide to change how they operate – such as by sending courtesy emails to customers who have selected email as their contact preference if communication via a non-preferred channel is sent. But it is within my remit and authority to decide that an unfair outcome has occurred because a business has followed its policies and procedures. And I'm satisfied that this is precisely what has occurred in this instance.

Accordingly, my final decision here is that I uphold this complaint in Mr B's favour and instruct Nationwide to make the £200 incentive payment to him. This is because I'm satisfied that the primary reason that Mr B didn't receive the switch incentive payment was because of the poor service and communication that he received from Nationwide.

Finally, I note that Nationwide have already paid £75 to Mr B as compensation for the poor service he received from them regarding the second application, specifically for their not passing the password for his credit file to the relevant team. This feels like fair compensation to me for that specific aspect of Mr B's overall complaint, and so I won't be instructing Nationwide to take any further action in this regard.

I hope that both Mr B and Nationwide will understand, given what I've explained, why I've

made the final decision that I have here.

Putting things right

Nationwide must pay £200 to Mr B.

My final decision

My final decision is that I uphold this complaint against Nationwide Building Society on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 January 2025.

Paul Cooper
Ombudsman