

The complaint

Mr R is unhappy that Nationwide Building Society have reported a missed payment to his credit file.

What happened

Mr R has a credit account with Nationwide. In August 2023, Mr R arranged a balance transfer from his Nationwide account to another credit provider. When the balance transfer was arranged, Mr R believed that Nationwide had set up a direct debit to take the minimum monthly payments that would become due on his account because of the balance transfer.

But no such direct debit had been set up. And because Mr R didn't make at least the minimum payment himself the following month, this meant that Nationwide considered a monthly payment to have been missed and reported it as such to the credit reference agencies. Mr R wasn't happy about this, and he felt that the only reason he hadn't made the payment was because Nationwide had failed to make him aware that he needed to. So, he raised a complaint.

Nationwide responded to Mr R and noted that Mr R hadn't made any payments to his credit account via direct debit previously and that information about the required minimum payment had been made available to him. As such, Nationwide didn't feel that they'd done anything wrong by accurately reporting the fact that Mr R had missed a payment. Mr R wasn't satisfied with Nationwide's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Nationwide had acted unfairly as Mr R contended and so didn't uphold the complaint. Mr R remained dissatisfied, 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.

It isn't in dispute that Mr R didn't make one of the contractually required minimum monthly payments on his account. But Mr R feels that the reason that he didn't make that minimum monthly payment was because he reasonably believed, because of Nationwide's actions and inactions, that a direct debit was in place to take the minimum monthly payment when that wasn't in fact the case. And because of this, Mr R doesn't feel that it's fair that Nationwide have reported a missed payment to his credit file for the month in question.

Mr R has explained that he assumed that Nationwide had set up a minimum payment direct debit for him when he arranged the balance transfer because of experiences that he'd had with other credit providers. But Mr R's assumption in this regard was incorrect. And upon review, I don't feel that it should fairly be considered to be Nationwide's fault that Mr R made that incorrect assumption.

This is because I don't feel that it was reasonable for Mr R to have believed that there was a

direct debit in place to make the minimum monthly payment. And some of the reasons for this are because Mr R didn't make any direct debit payments to his account previously, and because when Mr R arranged the balance transfer, he didn't discuss setting up a direct debit to make the minimum monthly payments with Nationwide and so didn't receive any form of confirmation from Nationwide that a direct debit had been set up, as would be expected.

Importantly, I feel that Mr R should reasonably have checked whether a direct debit had been set up to make the minimum monthly payment to his account in the absence of any formal confirmation that one had been set up, rather than relying on an unverified assumption that a direct debit had been set up.

Mr R has said that he feels that, by not offering to set up a minimum payment direct debit for him, that Nationwide haven't met their responsibilities under the Consumer Duty to avoid foreseeable harm for their customers.

But I don't feel that Nationwide should reasonably have foreseen that Mr R wouldn't continue to make payments to his account manually, in the manner that he previously had done, or that he would instead rely on an unverified assumption about a method of payment – direct debit – that hadn't been used by Mr R previously or mentioned in discussions between Mr R and Nationwide.

Furthermore, I'm satisfied that Nationwide made information about the required minimum monthly payment available to Mr R. And I'm similarly satisfied that it was Mr R's responsibility as the account holder to have been aware of any minimum monthly payment that was required on his account and to have ensured that at least that minimum monthly payment was paid.

Mr R has said that while Nationwide did send him a link to log into his internet banking profile so that he could view his monthly statement, internet banking is not his preferred method of viewing this information. And Mr R has also explained that he's experienced issues with Nationwide's mobile banking app, which is his preferred method of viewing his statement.

But Nationwide have confirmed that while Mr R did have issues checking pending transactions for his credit account on their mobile banking app, he was able to view to the page of the app which included his account balance and upcoming minimum payment date and due amount. And if Mr R was having trouble viewing this information via his preferred channel, that doesn't in any way reduce or diminish his responsibility to have made the minimum monthly payment, and I would have expected Mr R to have obtained that information via a different channel regardless of his preference.

Ultimately, Mr R did miss a payment here. And in consideration of all that I've explained above, I don't feel that Nationwide should bear any responsibility or accountability for that fact. And because of this, I'm satisfied that by reporting the missed payment to the credit reference agencies, that Nationwide are making a fair and accurate report of how Mr R has managed his Nationwide credit account to the credit reference agencies.

I realise this won't be the outcome that Mr R was wanting. But it follows that I won't be upholding this complaint or instructing Nationwide to take any further or alternative action here. I hope that Mr R will understand, given what I've explained, why I've made the final decision that I have.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 25 April 2025.

Paul Cooper
Ombudsman