

The complaint

Mr S complains about how Nationwide Building Society responded when he asked it to change his direct debit. Mr S said that although nothing did go wrong, it easily could have done, and he didn't think Nationwide had handled things properly.

What happened

Mr S said on 24 January 2024 he asked Nationwide to change the date of his direct debit, taken monthly to pay his mortgage. He said that he did this just before he left home for a period, on work.

Mr S said he gave Nationwide an email address when he submitted his request to change his direct debit, and he thought Nationwide should have used that to get in touch with him. But it didn't. It only wrote to him, and Mr S said because he was away from home for some months, he didn't see this until much later.

This letter told him that Nationwide had cancelled his direct debit from his old account, and it wouldn't take payment from his new account until March. So Mr S would need to make a manual payment for February 2024.

Mr S said fortunately, he did check his bank account in early February, when his payment was due. Mr S saw his mortgage payment hadn't been taken, so he was able to make a manual payment for that month. But he said this could very easily have gone wrong, leaving him with a missed payment and damaged credit file.

Mr S said he didn't think Nationwide should have cancelled his old direct debit before the new one was in place. Mr S told us he'd complained, but Nationwide didn't do anything, so he wanted us to look into this for him.

Nationwide sent us three letters it has sent to Mr S, in response to his complaint.

In the first letter, it said its website told Mr S it would write to him within five working days to confirm when changes to the direct debit would take place, and it had done that. Mr S's request was made on 23 January 2024. Nationwide explained that it needs 10 working days to set up a new direct debit mandate, which is why it had asked him to make a manual payment at the start of February. Nationwide wouldn't pay the £200 of compensation that Mr S requested.

In its second letter, Nationwide said it didn't think writing a letter to Mr S rather than sending an email was a mistake. It had reviewed Mr S's complaint, and still didn't think it should pay him compensation. In its third letter, Nationwide essentially repeated these points.

So Nationwide was adamant it hadn't made a mistake, and wouldn't pay Mr S any compensation.

Our investigator didn't think this complaint should be upheld. He said Nationwide's website does explain that direct debits usually take two weeks to update. And Nationwide says it will

send a letter within five working days to confirm when any changes will take place. That's what Nationwide did here. It hadn't offered to send this confirmation by email.

Our investigator said he understood Mr S would like £200 compensation for having to make a manual payment in February 2024. But he didn't think that happened because of any mistake made by Nationwide, and he explained why direct debits can't be changed instantly. He said because what happened here wasn't Nationwide's fault, he wouldn't ask it to do more.

Mr S disagreed. He said that Nationwide's web page didn't tell him he might have to make a manual payment if he changed his direct debit. Mr S said it was lucky he had a current account which allowed him to make this payment, avoiding a missed payment and bad credit file implications. Mr S didn't think our service had seen the letter which was to be issued within five days.

Mr S said if things had been different, he could very easily have been in trouble. Mr S also told us about some distressing family circumstances, taking up all their time at the moment. And he asked for his case to be considered by an ombudsman.

Our investigator wrote again, expressing his sympathies for Mr S and his family, and sending best wishes. But he still didn't think this complaint should be upheld. He said he had seen the letter sent by Nationwide, and he thought it was clear. It followed from what Nationwide's website said, about changes not being instantaneous.

Our investigator also said that although Mr S had told us things could easily have gone badly wrong here, we had to bear in mind that they hadn't. We couldn't provide compensation based on what could have happened. And Nationwide wasn't responsible for Mr S not seeing a letter which was sent promptly to his home.

Our investigator also provided Mr S with a little more information on how direct debits work. And he said that he thought the information provided by Nationwide was clear.

Mr S wrote again to disagree. He said that our investigator had approached this as someone who understood the banking sector, and he was a layman. He said he wasn't warned that a manual payment might be needed, or that his old direct debit would be cancelled before the new one was set up.

Because no agreement was reached, this case was passed to me 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.

I've reached the same overall conclusion on this complaint as our investigator.

Mr S asked Nationwide to change his direct debit on 23 January 2024. Nationwide said it would *"send him a letter within five working days to confirm when your changes will take place."* And it did this, writing to him on 25 January.

I appreciate that Mr S was hoping to receive an email, but I think Nationwide had indicated it would send a letter, and it did so. I also think the contents of this letter were clear. It told Mr S he needed to make a manual payment for February, and the letter also set out ways he could do that.

Not everyone needs to make a manual payment when changing their direct debit. I don't think it was unfair or unreasonable in this case, for Nationwide not to have mentioned this possibility on its website.

I know Mr S didn't receive this until a lot later, as he was away from home. It appears Mr S had no arrangements in place for forwarding his post during this time. I don't think it's Nationwide's fault that a letter which was sent very promptly to Mr S's home, and was safely received there, wasn't read by Mr S until some months later.

Fortunately, Mr S noticed his direct debit payment for February hadn't been taken, and he made a manual payment successfully, although he hadn't seen Nationwide's warning about this or its guide on how to make a payment. Mr S says that things could easily have been different, but I've already explained I don't think it was Nationwide's fault that its letter didn't reach Mr S. And, as our investigator set out, we cannot compensate Mr S for what could have happened here. Nothing did, in fact, go wrong with his February 2024 mortgage payment.

I know that Mr S feels strongly about this case, and he will be disappointed by my decision, but I don't think Nationwide did anything wrong here. So I don't think it has to make a payment to Mr S now. And that means this complaint won't be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 April 2025.

Esther Absalom-Gough
Ombudsman