

The complaint

Mr G complains that Nationwide Building Society ('Nationwide') mishandled his account switch and refused to pay him the switch incentive bonus.

What happened

The details of this complaint are well known to both parties, so I will just provide a brief overview of events here.

In mid-December 2024 Mr G applied to switch his banking from his previous current account provider to a Nationwide account, in order to take advantage of a £175 incentive offered by Nationwide. The switch was rejected on 23 December 2024 so Nationwide sent a text message to Mr G that day and an email the following day. On 7 February 2025, Mr G called Nationwide and provided information to help it process the switch. Nationwide said that the switch completed on 25 February 2025.

Shortly after, Nationwide told Mr G that he did not qualify for the incentive as he had already received a switch incentive from them in October 2021. Nationwide explained that customers could only receive the payment if they had not received one since August 2021.

Mr G complained to Nationwide about delays in the switch process, the impact this had and about being told he was not eligible for the switch incentive payment.

Nationwide sent two complaint responses to Mr G. It told him it had made the correct decision in relation to declining the switch payment. It then agreed that it had caused a delay in completing the switch in February 2025, so it offered Mr G £75 in compensation. It also said the switch successfully completed on 25 February and so Mr G could have deposited money into the account to cover direct debits.

Unhappy with this response, Mr G brought his complaint to our Service. He said his account was never fully operational and this resulted in unpaid direct debits and damage to his credit score. He asked for the negative credit information to be removed and for fair compensation.

Our Investigator looked into Mr G's concerns but did not uphold the complaint.

Mr G disagreed and provided additional information about his credit score and about a bill payment that was missed.

Our Investigator told Mr G that she did not think this evidence demonstrated that Nationwide had caused a negative impact to his credit score.

As Mr G disagreed with our Investigator, this came to me for a decision.

I asked an Investigator to contact Mr G to get clarification from him about why he did not start using the account sooner. Mr G did not respond. Contact was also made with Nationwide, who provided clarification about the contact made with Mr G once the switch completed.

I am now in a position to issue 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.

My role is to look at the problems Mr G said he experienced with the switching process and to see if Nationwide has done anything wrong or treated him unfairly.

Having considered all the evidence, I've decided not to uphold Mr G's complaint. I'll explain why I say that.

Looking first at the delays experienced by Mr G, Nationwide has already acknowledged that it caused some delays with the switch process, so I've considered whether the £75 compensation already offered by it is fair in the circumstances.

I've seen the system notes provided by Nationwide. These show me that on 23 December 2024, which was eight days after the switch request was made, the switch request was rejected by Mr G's previous bank, due to the sort code provided by Mr G for the account being incorrect. Nationwide then contacted Mr G on the same day asking that he contact it. It also sent him a follow up email the next day.

Mr G then contacted Nationwide on 7 February 2025, which was six weeks later. So, while there were considerable delays in the early stages of the switch process, I can't see that Nationwide are responsible for these.

On 7 February 2025, Mr G provided Nationwide with his previous account details, so Nationwide ought to have been able to process the switch at this point. Despite having this information on 7 February 2025, Nationwide did not complete the switch until 25 February 2025. This was because the Nationwide adviser wrote down incorrect account details while speaking to Mr G and had to contact Mr G a second time. In all, taking reasonable processing times into consideration, this caused an avoidable delay of about a week. Nationwide have paid Mr G £75 as compensation for this delay. While I can see that the delay has caused Mr G some distress and he had the inconvenience of having to relay the correct account details to Nationwide again, I do think that £75 is a fair amount of compensation in the circumstances.

Mr G also complained about direct debits being rejected by Nationwide. He said this has had a negative impact on his credit score. So I've considered this.

I can clearly see from Mr G's bank statements that there were indeed a number of direct debits that went unpaid following the completion of the switch on 25 February 2025. The first of these was three days after completion of the switch. What is also clear is that Mr G was not using the account at all. So while direct debits were being processed and rejected, he was not actively transacting on the account.

When Mr G first brought his complaint to this Service, he said he never gained full access to the account and thought that the switch was not properly completed. But, as I said, Mr G's Nationwide account was up and running before these direct debits failed. I asked one of our Investigators to contact Mr G to ask him why he did not appear to be using the account once it was up and running from 25 February. Mr G did not respond.

So I then considered whether Nationwide had done enough to let Mr G know that the switch had completed on 25 February, and I think it did. I say this because I can see that Nationwide sent a text message to Mr G on 21 February to tell him that the switch process had started and also sent an email to Mr G on 25 February letting him know that the switch had been completed.

So while direct debit payments have been missed, Mr G was notified of the switch completion on 25 February and so had enough time to deposit money into the Nationwide account to ensure the various direct debits were paid. I understand it must be frustrating for him that his credit file has been negatively impacted, but I am satisfied that Nationwide are not responsible for that.

Mr G also thought Nationwide acted unfairly when it declined to pay the switch incentive amount to him.

I have looked carefully at Nationwide's switch incentive scheme as advertised on its website in December 2024. The website contains a link to a page where consumers could check eligibility for the switch incentive. Here consumers were told that if they had switched to a sole or joint account with Nationwide and previously benefitted from a Nationwide account switch offer since 18 August 2021, they would not qualify for the switch incentive Mr G applied for. So I think this clearly sets out whether consumers who previously received a switch payment were eligible for the scheme.

The evidence provided by Nationwide shows that Mr G received a switch incentive payment from Nationwide on 25 October 2021 so Nationwide acted fairly when it declined to pay Mr G the switch incentive on this occasion.

I know my decision will come as a disappointment to Mr G but I could only ask Nationwide to take further action if I thought it had not done enough to deal with Mr G's complaint. Whilst I can see that it made an error and caused a short delay to the switch going through, it has already paid £75, which I'm satisfied is a fair amount.

My final decision

For the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 January 2026.

Martina Ryan
Ombudsman