

The complaint

Mrs D complains about the service provided by Nationwide Building Society when she switched her current account to it.

What happened

In March 2020, Mrs D opened a Nationwide current account using its switch service. She complains that she experienced some problems with the switch:

- One of her direct debits to an insurer was not switched, resulting in a missed payment.
- She did not receive the switching bonus payment she expected.
- Nationwide provided a poor service when dealing with her complaint.

The investigator thought Nationwide's offer of £100 to reflect some poor service was fair.

Mrs D did not accept what the investigator said. She responded to make a number of points, including:

- Nationwide should have made the rules for the switching process clearer when she signed up in a branch.
- She did not understand how the insurer was able to collect the payment that was due in April 2025 if it was unable to accommodate the switch process.

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.

Direct debit

Nationwide has told us that the switch was requested on all of Mrs D's direct debits and it did not receive any indication that the insurer had not accepted its request. Mrs D has given us evidence from the insurer that it does not allow automatic transfers of direct debits and that Mrs D would need to contact it to change her direct debit.

I don't consider the evidence I have supports there was any error by Nationwide in setting up the direct debit. I am satisfied that it is more likely that the reason the direct debit was not collected was because the insurer did not accept changes to the direct debit in that way. There is no evidence that the insurer did not receive the switch request or that it told Nationwide it had rejected it. I note the evidence we have supports that the insurer did not claim a direct debit successfully from the new account until June 2025.

I accept that the Direct Debit Guarantee applied to the direct debits. But the guarantee says that organisations that accept direct debits are vetted and that if an error is made Mrs D

would be entitled to a full refund. It does not say oblige organisations to accept switch requests. And no payment was made here to be refunded.

The current account switching guarantee did apply. It said that Nationwide would meet any charges or interest incurred if the switch goes wrong. But Mrs D has confirmed to me that she did not incur any costs as a result of this matter. I think that the amount Nationwide has already paid is fair for any lapses the service it provided. And Nationwide is not responsible for the service provided by the insurer.

Bonus payment

Mrs D has told us she understood that she had 31 working days to pay £1,000 into the new account to qualify for the bonus payment. It follows that Mrs D must have received some communication from Nationwide regarding the terms and conditions relating to the bonus payment.

Looking at the information Nationwide gave Mrs D, I am satisfied that it sets out in a clear, fair and not misleading way that Mrs D had 31 days from requesting the switch to pay at least £1,000 into the new account. I can't see that Nationwide led her to believe or could reasonably be interpreted to mean that she had 31 working days to take that action.

Therefore, I consider Nationwide acted reasonably when it did not make the bonus payment to Mrs D.

Service

Nationwide has accepted that it provided a poor service to Mrs D. Bearing in mind what happened and what Mrs D has told us – and even if I accept that there is more that Nationwide could have done to warn Mrs D that she might need to take further action to make sure all of the direct debits were switched – I consider that £100 Nationwide has already paid is a fair amount to settle this complaint. So I don't consider it needs to do anything else.

My final decision

My final decision is that I do not uphold this complaint, in the sense that Nationwide has already paid a fair amount to settle it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 5 January 2026.

Ken Rose
Ombudsman