

The complaint

Mrs R complains that Nationwide Building Society gave her incorrect information in relation to a balance transfer.

What happened

Mrs R holds a credit card with Nationwide. In May 2025 she applied for a balance transfer but kept getting an error message. Mrs R tried several times over the next few weeks but was unable to complete the balance transfer. Eventually she discovered that her account had been blocked.

Mrs R contacted Nationwide and complained that no-one had told her that her account had been blocked. Nationwide subsequently upheld this complaint on the grounds that Mrs R was promised a call back and didn't receive it. Nationwide offered compensation of £75.

Having had the card unblocked Mrs R completed the balance transfer over the phone with an agent. The agent confirmed to Mrs R that the balance transfer offer was for 18 months interest free.

In August 2025 Mrs R noticed that interest had been added to her balance. She contacted Nationwide and was advised that the 0% balance transfer wasn't available to her and that the rate on her balance transfer was 9.9%.

Mrs R complained to Nationwide. Nationwide upheld the complaint. It said that Mrs R had been provided with incorrect information when she spoke to the agent about the balance transfer. Nationwide confirmed that the balance transfer was subject to an interest rate of 9.9%. It apologised for the error and offered Mrs R £100 compensation and a 4 month interest waiver.

Mrs R remained unhappy and complained to this service.

Our investigator upheld the complaint. They said that Nationwide's error was significant because it had influenced Mrs R's decision making and financial planning. The investigator said that the compensation should be increased to £300 and that Nationwide should take steps to provide Mrs R with an 18 month interest free period.

Nationwide didn't agree. It acknowledged that it had provided incorrect information and agreed to pay £300 compensation but said it didn't agree that it should have to reinstate the 18-month interest free offer, because it wasn't clear what Mrs R would have done had she been correctly advised that the 0% offer wasn't applicable to her account.

Because Nationwide didn't agree I've been asked to review the complaint.

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's not in dispute that Nationwide told Mrs R that her balance transfer would be subject to 0% interest for 18 months. It's also not in dispute that Mrs R chose to proceed with a balance transfer of around £6000 in reliance on the information provided by Nationwide.

Nationwide has acknowledged that it made an error. It accepts that the information provided to Mrs R was incorrect and that the rate of interest applicable to the balance transfer was 9.9%.

I've thought about the impact of Nationwide's error on Mrs R. Mrs R has explained that with a period of maternity leave approaching, she wanted to manage her finances effectively, which included transferring the balance on her credit card to a 0% offer. The difference between a 0% offer – which is what Mrs R was told she was getting – and a 9.9% rate of interest is significant and left Mrs R in a worse position financially than she expected to be in.

Considering the impact of the error on Mrs R, I don't think the offer of £100 compensation is fair and reasonable. The error had a significant financial impact on Mrs R and caused her distress. £100 compensation doesn't put Mrs R back in the position she would have been in had the incorrect information not been given to her. I say this because I think it's likely that Mrs R would have sourced a 0% balance transfer elsewhere. She has now lost that opportunity.

Putting things right

I agree with the investigator that the total compensation payable to Mrs R should be increased to £300 to reflect the distress and inconvenience caused. I also think that Nationwide should take steps to put Mrs R in the position she was led to believe she would be in based on the information provided to her. This means that Nationwide must ensure that for a period of 18 months, Mrs R isn't charged any interest on her balance transfer. If she has already been charged interest, this should be waived and the account reworked.

My final decision

My final decision is that I uphold the complaint. Nationwide Building Society must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 16 January 2026.

Emma Davy
Ombudsman