

The complaint

Mr B complains that he was unable to open a savings account with Nationwide Building Society so missed out on interest and a “fairer share” bonus payment.

What happened

In October 2022, Mr B attempted to open a current account online with Nationwide, to take advantage of a switching offer. He wasn't able to do so and was advised to go into the branch and use the branch's iPad. I understand that the branch wasn't able to open the account either but it did get it opened over the telephone. He was told that Nationwide would arrange for the £200 switching bonus to be paid to him. He subsequently enquired about opening a savings account at the same time (as this was required to be eligible for a further £100 payment). He was told that enquiries would be made with the savings team. Nationwide offered Mr B £100 for the inconvenience caused to him, and paid the £200 in respect of the switching offer, which Mr B accepted.

In March 2023, Mr B contacted Nationwide to enquire about the savings account which he thought would be opened at the same time as the current account. Nationwide explained to him that he needed to do this himself, but nevertheless paid him a further £50 in respect of the wrong advice he appeared to have received when in branch.

After referral to the Financial Ombudsman Service our Investigator was told by Nationwide there was no evidence that Mr B had made any application for a savings account either by using the mobile app or the website. Mr B insisted that he had made applications but kept being referred back to the branch and said that the branch staff were rude and arrogant and failed to help him any further.

Nationwide suggested that Mr B make the application again and take screenshots of the application journey so that it could find out if anything had gone wrong. It also advised of the procedure for doing this via the mobile app.

Mr B declined to do this as he had decided that he didn't want to open a further account with Nationwide.

I issued a provisional decision. In it I said that I thought Nationwide should pay Mr B the £100 bonus he would have received had he been able to open the savings account by the end of March 2023.

Mr B accepted my provisional findings.

Nationwide didn't respond to my provisional 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 provisional findings are set out below, in italics:

"I do think that some of the evidence in this case is incomplete or contradictory. Where that is the case I make my decision based on what I think in my opinion is most likely to have happened.

I do accept that Mr B had trouble in applying for a current account with Nationwide. In the telephone call after he had tried this for the first time Nationwide's adviser told him that the application had gone through to an old system which didn't deal with switching. So he was asked to try it again. That still didn't work and Mr B went into the branch to get it set up, as I have set out in the background above.

Mr B was able to set up his account although this had to be done manually over the telephone and as a result he wasn't technically eligible for the £200 switching bonus. However I'm satisfied that Nationwide sorted this out so that he received the bonus and £100 compensation. Mr B accepted this and I do regard that part of his complaint as being settled.

I think, from reading Nationwide's account notes and the brief telephone call Mr B had with its adviser in early November 2022, that if he'd been able to open the account online, it's likely that the account switching application would have invited him to open a savings account. The adviser did indicate that he would get in touch with the savings team, but I've heard no further telephone recordings from the time so I don't know whether Mr B was given any further information. In any event Nationwide accepted that Mr B appeared to have been given wrong advice about the opening of a savings account.

Nationwide has declined to pay to Mr B the further bonus of £100, as it couldn't see from its data that he had applied for the savings account. I can see that it has supplied over 200 pages of data to show the activity on Mr B using his mobile app. I don't profess to be an IT expert, so I have to accept from Nationwide that the data doesn't show Mr B applying for a savings account.

On the other hand Mr B has supplied us with screenshots showing his initial failed attempt to open a current account and a similar one for a savings account. Both screenshots advise Mr B to go into branch. However my understanding is that the account could only be opened in branch using an iPad and that was unsuccessful for the current account. I appreciate that Nationwide has asked Mr B to take screenshots of his application journey so that it can assess what might have gone wrong. And that Mr B has declined to do this. However that would only show how the problem might be resolved.

I do think it's likely that, in light of his experience in opening a current account, Mr B wasn't able to open a savings account. I do think though that he would have been aware that such an account hadn't been automatically opened when he opened the current account. So he would also have been aware that he didn't have an account earning interest. In any event Nationwide offered to backdate interest if it was established it was at fault for him not being able to open such an account.

I note that Mr B says that the branch staff were arrogant and rude to him. He hasn't supplied details of the dates, nor does he appear to have made any complaints about this at the time. Nationwide hasn't been able to provide any details of his branch visits.

With that in mind, I think that Mr B has been paid sufficient compensation overall for the distress and inconvenience suffered by him (a total of £150). I do think though that Nationwide should pay him the £100 bonus he would have received had he been able to open the savings account by the end of March 2023. But I won't require Nationwide to pay any interest."

As neither party has made any further comments concerning my provisional findings, as set out above, and Mr B has accepted them, I remain persuaded by them. Those findings are now final and form part of this final decision.

Putting things right

Nationwide should pay Mr B a further £100 compensation.

My final decision

I uphold the complaint in part and require Nationwide Building Society to provide the redress set out under “Putting things right” above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 2 April 2024.

Ray Lawley
Ombudsman