

## **The complaint**

Mr M complains that Nationwide Building Society's (Nationwide) payment system has a technical flaw with payments not being processed and paid on the dates requested.

## **What happened**

Mr M said he encountered two problems with payments; they are often not sent on the day selected, (sometimes processed up to three working days later), and with regard to post-dated transactions, he has to select view/cancel payments a day or two later to see that the payment has been set up as they seem to disappear a day or two before they are due to go.

Mr M said that in order to avoid late credit card fees he has had to make second payments, which on occasions has been the first to leave his account, followed by the original payment. He said this issue seems to be unique to Nationwide and he has provided examples of this.

Nationwide said that one of the payments can't be seen using the account function. But Mr M thought this was incorrect and set up a nominal payment to show that it could be seen, and Nationwide's agent accepted this. Mr M said Nationwide only gave a partial explanation, which doesn't account for his experience and its explanations have been contradictory.

Mr M complained to Nationwide about the difficulties he's been caused. Nationwide said that payment instructions after 10pm hours are processed the next day. But Mr M said he's seen instances where the payment has gone through three working days later. And so he doesn't accept Nationwide's explanation.

Nationwide said that a credit card payment to which Mr M referred was instructed after 10pm and was paid the next working day. It said this could be clearer but is explained in its terms and conditions. Nationwide said the following day it wasn't shown as a forthcoming payment as this was the day of payment and it would be too late to cancel it. Mr M didn't realise this and sent a duplicate payment. Nationwide apologised for advising him to make the payment again and paid him £60 compensation.

Mr M wasn't satisfied with this response and referred his complaint to our service. Our investigator didn't recommend that it be upheld. She said Nationwide had carried out further extensive investigation of a number of Mr M's payment transactions, and provided robust IT evidence the payments he requested have been correctly processed.

The investigator said there was no definitive reason for the delay in the payment leaving Mr M's account, but online payments rely on the processing time of the sending and receiving bank. She said she hadn't found Nationwide systems have been at fault for the payment delays.

Mr M disagreed with the investigator and requested an ombudsman review his complaint. He said Nationwide's payment logs show that payments have been processed successfully, but don't explain the delay. He said he may take the matter up with the PRA as something is awry with Nationwide's systems.

## **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 can see Mr M's frustration at the delay and uncertainty in his forward payments. He thinks that Nationwide has repeatedly delayed the processing of his payments and says that he hasn't encountered any such problems with other organisations.

Mr M gave examples of where he was left in doubt that he has made payments, causing him to make a further payment, then having to arrange refunds. He said there's nothing on Nationwide's website about how this limitation occurs and how customers should be mindful of it. He has asked Nationwide to fix the issue.

Our service looks into complaints where there has been some detriment or loss to a consumer and sees if the business has made a mistake or provided poor service and says what we think should happen to put things right. I have looked at Nationwide's terms and conditions to see if it has acted accordingly and to see if it has treated Mr M fairly.

Nationwide's terms and conditions state *'You can schedule payments to go out immediately or on a future date. If you want a payment to leave your account the next day, it must be set up by 10pm the working day before. If you set it up after 10pm, your payment will be sent the next working day.'*

Nationwide has undertaken an extensive investigation of Mr M's concerns. I've looked at the results of this and made cross checks against Mr M's bank statements. The evidence shows the payments were either made by Mr M on the day, or arranged after 10pm. Nationwide states that the payments are sent automatically, without having to be keyed in and if the receiving bank is holding up these payments this is not something it could prevent.

I haven't seen an example of a payment that waited three working days to be processed as a consequence of Nationwide's payment processing system. The evidence I've seen shows that the payments Mr M requested have been correctly processed in accordance with Nationwide's terms and conditions. Mr M confirms this, saying Nationwide's logs appear to show that the payments have been processed appropriately and in a timely manner. However, his complaint remains that this has not been his experience as Nationwide in each instance hasn't been able to explain why the payment hasn't left his account.

Nationwide and our investigator have speculated that the delay that sometimes follows from the payment instruction to it being received may be due to the recipient bank's processing time. Mr M said that he hasn't encountered any similar problem with other banking organisations. I would say to Mr M that over the last few years we have received complaints of a similar nature about most other major payment providers and their systems.

So far as the investigation of the cause of any delay relating to Mr M's online payments, I don't think Nationwide, and consequently our service, is going to get to a definitive answer. I'm sorry that this provides Mr M with an unsatisfactory response to his complaint, and I sympathise with him for the inconvenience he has faced, but I don't think it's possible for me to provide anything further. It is open to Mr M to raise this as an issue to the Financial Conduct Authority, although it won't consider individual complaints, or the Payment Systems Regulator.

## **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 3 January 2024.

Andrew Fraser  
**Ombudsman**