

## **The complaint**

Mr P complains about Nationwide Building Society ("Nationwide") removing the promotional balance rate on his credit card account.

## **What happened**

Mr P complained to Nationwide about the removing the promotional balance rate due to a missed Minimum Monthly Payment ("MMP"). He says he wasn't aware the payment hadn't been made.

Nationwide didn't uphold the complaint as they didn't think they'd made any errors. After the balance transfer on 28 November 2021 Nationwide requested a Direct Debit payment for the full amount, as this was what was set up on the account. But, on 24 January 2022, when requested, this Direct Debit bounced as Mr P had insufficient funds in his account. Nationwide then removed the promotional offer as permitted in the terms and conditions.

Our investigator didn't uphold the complaint. He thought Nationwide had acted fairly when dealing with Mr P's balance transfer rate. He thought the payment due in December couldn't be classed as having been made on time so the terms of the credit card agreement had been breached. He also thought Nationwide were able to opt to remove the promotional rate and hadn't breached the terms of the credit agreement when doing so.

Mr P asked for an ombudsman to make a final decision in this matter. Having reviewed the information from both parties I asked Nationwide for further information about the change of instructions for the Direct Debit to take the full balance as payment rather than the MMP. It sent a call recording from 28 June 2019.

## **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 know Mr P feels strongly about this but having considered all the evidence here I don't think Nationwide have done anything wrong, so I'm not going to uphold his complaint. I'll explain why I think that.

I'm satisfied that under the term and conditions for the account Mr P must make the MMP each month. And, under the terms of the promotional balance transfer, if the MMP isn't made then the promotional rate of 0% interest may be removed. Mr P doesn't dispute any of that and I can see he'd previously set up a Direct Debit for this card a number of years ago on 23 August 2018, so a fixed amount or the MMP if the amount was less than £25 would be taken.

For Mr P the issue is how that Direct Debit was executed after he'd made the balance transfer at the promotional rates. Nationwide tried to take the Direct Debit for the full balance owing on the card and this failed due to insufficient funds. Mr P thinks it should've taken just the MMP - if it had the Direct Debit wouldn't have failed as there was enough money in his

account. I can understand Mr P's frustration but for a number of reasons I don't think Nationwide did anything wrong when it tried to take the full payment. Firstly, it's clear in the call recording Nationwide recently provided that, on 28 June 2019, Mr P changed the Direct Debit to take the full balance. I appreciate that was some time before this balance transfer took place so Mr P might not remember that this was the arrangement in place. But, the monthly statements Mr P received after this, stated clearly that the "statement balance, less any interim payments, will be collected by Direct Debit" on the due date. So I think Mr P ought to have been aware as it's the customers responsibility to check the statement to ensure all is in order. So, for these reasons, I don't think Nationwide have done anything wrong.

Although I don't think Nationwide have done anything wrong here, I think it's been reasonable in offering to waive the interest on the account for two months after this - to enable Mr P to look for a new promotional balance transfer - as a goodwill gesture. Given my findings, it wouldn't be fair or reasonable for me to ask Nationwide to do anything further here.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 19 January 2024.

Annabel O'Sullivan  
**Ombudsman**