

## **The complaint**

Mr and Mrs N, who live outside the UK, are unhappy with how Nationwide Building Society managed their account closures after Brexit.

## **What happened**

After Mr and Mrs N received a notice of closure from Nationwide dated 20 November 2020 informing them that Mr N's sole account and their joint account would need to be closed by 26 January 2021, they wrote to Nationwide on 13 January 2021 giving details of how the money in the accounts should be transferred to them. Nationwide did not receive this letter before it closed the accounts and so it moved the funds to a holding account. It then explained for the funds to be released to Mr and Mrs N they would need to submit Brexit unclaimed funds forms, and provide the required supporting documentation.

Mr and Mrs N were dissatisfied with a number of aspects of the process – the initial notice was not sent by priority mail, Nationwide did not comply with their request to combine the funds and issue one cheque to Mrs N, the quality of calls it made in January and February 2021 where first no message was left and then the advisor was unhelpful, and that the document certification was not mentioned in the original closure letter. They want Nationwide to issue a cheque to Mrs N as they originally requested, to apologise for its approach to their concerns during this process and to compensate them for the stress this has caused.

Our investigator recognised that Mr and Mrs N had opted to send their instructions by letter – not one of the options given in the closure notice – and as this had been received after the closure deadline the process and rules had changed requiring Mr and Mrs N to complete different steps. But he also thought there were a number of things Nationwide could have done better – such as calling Mr and Mrs N before the accounts were closed, and contacting Mr N on receipt of the letter on 27 January 2021 before his closing account and putting him in the position of needing to reclaim the funds. So he asked Nationwide if there was any way it could enable Mr and Mrs N, as long-standing customers, to transfer the funds without completing the Brexit unclaimed funds process. Nationwide said it could not.

Our investigator explained to Mr and Mrs N that as the society had not made an error and was following its process correctly – rather it was unfortunate the instructions sent by letter were not received in time – he could not force it to adopt a different process. This means to reclaim their money Mr and Mrs N need to complete the Brexit unclaimed funds form and provide the certified documentation as requested. He did however conclude that some of Nationwide's actions (its choice of delivery compressed the notice period; it didn't call to chase up on their instructions; and the calls it later made were unhelpful and unclear) had caused avoidable stress and inconvenience and for this it should pay £150 compensation.

Nationwide accepted this assessment and agreed to make the payment.

Mr and Mrs N asked for an ombudsman's review. They wanted to emphasise that on receipt of the closure notice they had done everything in their power to open a new sterling account for receipt of the funds before opening an account for Mr M where they live. And only then could they instruct Nationwide. They remain doubtful a letter posted in the UK on 20 January

2021 was not received until seven days later. They feel Nationwide has given contradictory statements about Mr N's account, the fee and why it was left open later. They ask why did Nationwide wait till the last minute to communicate the notice of closure – this was contrary to the regulator's expectations. They feel they are no further forward as Nationwide is asking for evidence the funds will be transferred into an account in the same name but Mr N's account, where they live, is his in sole name – and needs to be to receive his funds if following Nationwide's policy. Mrs N's UK bank will accept the funds from the joint account if Nationwide will pay them to her sole name. Or they suggest Nationwide could transfer the money in the joint account to Mr N's account and that would enable them to receive the total funds into his local account.

Mr and Mrs N then contacted the investigator saying they would be in the UK in late September and so would there be an option to visit a branch and make a cash withdrawal of the funds, or as a cheque payable to a friend. Nationwide agreed to issue a cheque for the closure balances to Mrs N but said it would still need the unclaimed funds forms to be completed. But that it already holds confirmed identity documents, so Mr and Mrs N do not need to produce identity documentation. It said they would need to provide a very recent statement of the account the funds are being transferred to. A letter of indemnity would then need to be signed by both Mr and Mrs N at the time of the branch visit. Nationwide then liaised directly with Mr and Mrs N to arrange an appointment time.

I understand Mr and Mrs N were able to collect the funds successfully when they were in the UK, albeit not through the initially arranged appointment due to the unforeseen bank holiday, and that the money has been successfully deposited in Mrs N's UK bank account.

### **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 have read and thought carefully about all of Mr and Mrs N's comments. In keeping with our role as an informal dispute resolution service, and as our rules allow, I will comment here on the points I find to be material to the outcome of their complaint, also recognising that the situation moved on during the course of our service's involvement.

I am upholding Mr and Mrs N's complaint in part. I will explain why.

I can see that this process has been frustrating, stressful and time-consuming for Mr and Mrs N. And I am pleased they now have their funds. What I need to decide however is to what extent failings on the part of Nationwide contributed to their unsatisfactory experience.

I don't find that Nationwide did anything wrong when it sent the closure notice in the way it did; moved the funds when it had not heard back or by then requiring Brexit unclaimed funds forms and supporting documentation. Whilst Mr and Mrs N are unhappy with aspects of this process, this was the society's process for all customers in this position and it was fair that Mr and Mrs N were told they had to comply with it.

I can see there were factors that made this problematic for Mr and Mrs N, such as slow postal deliveries and their available UK/overseas sole/joint account holdings, but these are not things I can fairly hold Nationwide liable for. And I have to take into account that right at the start of this process Mr and Mrs N opted to return their instructions by letter which was not one of the options set out in the closure notice.

I agree with the investigator's finding however that Nationwide could have done certain things better. It could have been more pro-active to follow up on 'missing' instructions given

it was aware Mr and Mrs N lived overseas, and the calls it later made were indeed unhelpful. This did cause avoidable stress and inconvenience for Mr and Mrs N. I find that the recommended amount of £150 is reasonable compensation in the circumstances.

Since the investigator issued his view a solution was found. And, whilst we couldn't have instructed the society to act outside its defined process, I am pleased a flexible approach largely delivered the resolution for Mr and Mrs N that they wanted at the outset of this complaint.

In their most recent correspondence they raised concerns about a number of issues they were unhappy about when they went to collect the money from the branch. But as these are new issues they would need to first raise them with Nationwide to give it a chance to respond. If they are unhappy with its response they can bring a new complaint to this service.

### **Putting things right**

Nationwide must now pay Mr and Mrs N £150 compensation. It should also send them a letter of apology for its service failings that contributed, in part, to their difficult experience.

### **My final decision**

I am upholding Mr and Mrs N's complaint in part. Nationwide Building Society must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs N to accept or reject my decision before 28 October 2022.

Rebecca Connelley  
**Ombudsman**