

## **The complaint**

Mr C complains that Nationwide Building Society rejected an ISA application because his identification ("ID") was not provided, and did not advise Mr C it had done this.

## **What happened**

Mr C applied for a help to buy ISA in November 2019. His application was processed on 1 December 2019. Mr C has explained that his intention was to open the ISA to ensure he could take advantage of the particular benefits it offered, but that he had never intended to pay any funds into it until two years later when he knew he would be receiving some money.

On 17 January 2020 Nationwide emailed Mr C to say that it needed to see some extra identification before it could finish opening the ISA. This email asked Mr C to take ID to his nearest branch or to call if he had any questions. This email did not give a deadline when ID needed to be provided by. Mr C says that as no deadline was given, and due to his particular personal circumstances, he did not appreciate the significance of the email. His understanding was that he could provide ID at any stage to complete the opening of the account but that there was no urgent need for this.

When Nationwide did not receive any ID documents from Mr C within a month, it cancelled the ISA application, so the account was not opened.

In January 2022 Mr C tried to pay funds into the ISA, but was told that it had not been opened. The help to buy ISA was no longer available at that stage, so Mr C could not open a new one. Mr C was unhappy with what had happened, so he raised a complaint.

Nationwide looked into what had happened but did not think it had done anything wrong. It said that its process at the time was to send one email requesting ID and that it had followed that process. Nationwide acknowledged that the email didn't include a deadline, and said it would ensure feedback about this and about the application process overall was shared internally. Nationwide has since said that other emails would have been sent to Mr C, but has been unable to provide evidence of those emails.

Mr C remained unhappy, so he referred his complaint to us. He explained that he feels he's lost out on the benefits of the help to buy ISA because of what has happened and would like to be compensated for that. Mr C is also concerned that Nationwide's application process indirectly discriminates against people with some disabilities – such as autism and ADHD.

One of our Investigators looked into what had happened. Ultimately, they agreed that Nationwide's correspondence about the need for ID could have been better, and so recommended that Nationwide pay Mr C £100 to recognise the poor service provided. But they didn't think that Mr C has lost out financially and so did not think any further award or compensation was warranted.

Neither Mr C nor Nationwide agreed with the Investigator's findings, so the complaint has been referred to me for a 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.

Having done so I've reached the same conclusions as our Investigator, and for largely the same reasons.

Mr C is autistic, he has also been diagnosed with ADHD, and he says these conditions mean that for him, and other people like him, Nationwide's application process makes it particularly difficult to open an account. Mr C has referred to the Equality Act 2010, specifically stating that he feels Nationwide has indirectly discriminated against those who live with similar conditions to him.

For clarity, as a service, it's not our role to say whether a business has breached the Equality Act 2010 or discriminated against its customer – that's for the courts to do. We're an informal alternative to the courts and decide complaints on a fair and reasonable basis. For the purpose of this decision, I've assumed that Mr C is disabled as defined by the Act and the Act is a relevant consideration when deciding this complaint, so I've taken that legislation and what it says about how businesses should treat consumers into account when considering his complaint and whether Nationwide has acted fairly and reasonably here.

I've looked carefully at what Mr C was told when he applied for his ISA and in the email he was then sent regarding the ID requirements. And I agree with our Investigator that these communications did not make it clear that there was a specific timeframe in which ID had to be provided. I also note that Nationwide has not provided any evidence that it sent either follow up correspondence chasing the ID or any notification that it was going to cancel the ISA application. I acknowledge that Mr C did not contact Nationwide again for two years, but even if, for example, he had tried to provide ID only two months after applying for the account he would still have been too late.

So I don't think Nationwide did make it clear what would happen if ID wasn't provided, and it's clear to me that when Mr C discovered what had happened this will have caused him some upset and inconvenience. So I think compensation is warranted here. But I don't think that compensation needs to include any amount to cover the loss of potential benefits of the help to buy ISA. I say this because Mr C had not previously paid any funds into the ISA, and so at the point when he discovered it hadn't been opened he had not experienced any financial loss.

The only loss we might consider here is potential future loss of benefits, but at the point Mr C discovered the ISA had not been opened other ISA products were openly available which offered similar benefits. So he could have invested his funds in one of those other products at that stage. There is therefore no actual financial loss caused by Nationwide's poor service here.

With this in mind I'm satisfied that an award purely for the upset and inconvenience is appropriate, and that award is modest because Mr C's overall position wasn't changed by what happened here. He was still able to invest his money in a similar scheme when the issue came to light and had not lost out on any benefits up to that point as he had not put any funds into the ISA. So I'm satisfied that the award of £100 recommended by our investigator is reasonable in all the circumstances of this complaint.

Regarding whether Nationwide's process is specifically discriminatory, I think that from the correspondence sent regarding the ID requirements it would not have been clear to *any* customer, regardless of disability, that a deadline for provision of those documents was in

place. So I don't think I could fairly say that Mr C was disproportionately or unfairly impacted because of his medical conditions; it's more that the communication was generally poor regarding this issue, and this is something that would likely affect all customers.

I appreciate that Mr C may still be disappointed with my findings here, but I hope he will at least feel that his concerns have been listened to.

### **My final decision**

I uphold this complaint. Nationwide Building Society should put things right by paying Mr C £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 1 March 2023.

Sophie Mitchell  
**Ombudsman**