

## **The complaint**

Ms P complains Nationwide Building Society (Nationwide) unfairly closed her bank accounts. She also complains they racially discriminated against her.

## **What happened**

Ms P held a current and savings account with Nationwide.

In June 2020, she needed a balance enquiry statement showing her account details on Nationwide headed paper, she said it was for official purposes. Ms P said she had been advised by Nationwide's customer service by phone that she could get the same from a branch. So, she proceeded to visit a branch.

Due to Covid-19 related restrictions, before entering the branch Ms P was required to outline what services she needed. According to her, a staff member, who I will refer to as C, said the branch was unable to provide such a statement, Ms P had received a letter to confirm the same and she was told head office would be able to provide it. Ms P said she had no knowledge of such a letter and customer service had told her otherwise.

C told Ms P to provide her account details by writing it on a piece of paper and she would generate the letter for her to collect in a couple of days. Due to a previous incident of fraud, Ms P said she was reluctant to provide this unless she was inside the branch and speaking to a cashier. There was a verbal exchange between Ms P and C. Ms P was given access to enter the branch and she used the internal ATM to withdraw money. Unhappy she was unable to get what she needed, Ms P said words to the effect of "I will shoot head office an email about this". Thereafter, she went to another Nationwide branch, spoke to a manager and obtained the statement letter she needed.

C felt Ms P had made a threat of violence to shoot Nationwide staff members and the incident was reported via their internal channels. As a result of the incident, Nationwide told Ms P they would close her accounts with immediate effect (in 14 days) due to her unacceptable behaviour. Ms P complained she had been wrongly accused of a crime and she believed she had been treated this way due to her race.

Having investigated the complaint, Nationwide accepted Ms P had made no threat of violence, the statement had been misconstrued and taken out of context. However they felt C wasn't wrong in raising the matter. But Nationwide said they had carried out a holistic review of Ms P's accounts and it had been said her behaviour had been confrontational and intimidating in more than one branch and over an extended period of time. Nationwide concluded their relationship with Ms P had broken down irretrievably and they would proceed to close her accounts, but they would provide 60 days' notice instead. The accounts closed in September 2020.

In December 2022, I issued a provisional decision outlining my intention to uphold the complaint. I said:

*"Branch incident in June 2020*

*Nationwide accept Ms P's statement was taken out of context and she made no threat to shoot their staff. So I don't need to make a finding on this. However, Ms P said she was upset that such an accusation had been made about her and she was made to feel that she was a violent and dangerous person. Ms P said such an accusation of violence had been made due to her race based on harmful stereotypes, meaning she was racially discriminated against.*

*I need to stress that our service is unable to make findings on whether something constitutes discrimination as per the Equality Act 2010. This is because we are an informal alternative to the courts, and only a court of law can make a legal finding based on the definitions set out within the Act. However, I can consider whether the business has acted in a fair and reasonable manner and in order to do that I've taken a number of things into consideration including the Equality Act 2010.*

*I consider the accusation raised against Ms P to be serious so I can understand why she was considerably upset and hurt by this. She also referenced a well-publicised incident concerning the death of a civilian following an interaction with a police officer in the United States which had not long taken place before this situation. With that in mind, I can understand her genuine fears that had the police been called, matters could've escalated and she could've been harmed or even killed in any resulting interaction with the police. She said she had expressed her feelings to Nationwide when she complained and she felt they had failed to take her concerns seriously or considered how the situation made her feel. Ms P said she deserved an apology from Nationwide but this was never received.*

*I wish to thank Ms P for her honesty and I'm sorry to hear how the situation made her feel. I acknowledge her comments, the wider social context at the time and why this would've intensified her feelings and impact on her. However it wouldn't be appropriate for me to comment on hypothetical situations about what could've happened but I have taken it into account when considering the overall impact of Nationwide's actions on Ms P. What I can comment on is what did happen.*

*I understand at the time there were restrictions in place at Nationwide branches due to the pandemic and they were limiting services to consumers to essential purposes only (although their discretion may be used). It would seem in this case, the branch didn't consider Ms P's request to be essential as she had access to online banking and the ATM for balance enquiries and that's why they weren't willing to provide the letter as requested. However for Ms P, it was necessary as it was needed for official purposes and she had been told by customer service she could obtain it from a branch. So I can understand why being told she couldn't get it would've been frustrating for her. Given the second branch was able to fulfil her request, presumably having exercised their discretion given why the letter was needed, I don't consider it wholly unreasonable that Ms P felt the first branch had treated her unfairly. It's likely these differences compounded her strength of feeling on the events complained about.*

*Nationwide has a duty to protect its staff and I expect it to take that duty seriously, it also has a duty to treat its members fairly. I note in C's statement about the incident she comments she heard the word "shoot" and another staff member heard the rest. On that basis, it would appear C didn't hear in full what Ms P had said. I find it's most likely C heard the words 'shoot' and 'head office' and came up with her own conclusions. To my mind, if C had believed there was a genuine threat, it would've been reasonable for her or any other staff member present to attempt to clarify Ms P's statement to determine whether it was indeed one of violence but there is no suggestion this happened.*

*Nationwide accused Ms P of making a serious threat and they maintain C was right to report what she heard. However I don't consider C's follow up actions to be indicative of what a reasonable person would expect if they genuinely believed Ms P posed an imminent threat of danger. For example, to call the police. Based on the incident report, C confirmed the police hadn't been called. In my opinion, that suggests C never thought it was a real threat or perhaps there was a possibility she had misheard what Ms P said.*

*Ms P has also explained why she was reluctant to provide her account details on a piece of paper while standing outside of the branch and in the circumstances, I can understand why she may have felt this way given what she said about being subject to an earlier instance of fraud. But rather than attempt to de-escalate the situation as per Nationwide's policy about how to deal with verbal and aggressive behaviour (for example to provide reassurance that the account details would be treated with care and in a confidential manner), C's back and forth verbal exchange with Ms P only seemed to aggravate the situation.*

*While I can't say with any certainty whether C would've handled the request any differently for somebody else in identical circumstances, for the reasons explained above, I'm not persuaded Ms P was treated fairly.*

#### *Closure of the accounts*

*At this point, I wish to stress that in instances of unreasonable and aggressive behaviour, I wouldn't expect financial businesses, such as Nationwide, to tolerate this from their consumers. As mentioned above, they have a duty to protect their staff.*

*Here, although Nationwide accept no threat of violence had been made by Ms P in branch, they confirmed the accounts would be closed due to previous incidences of her unacceptable behaviour in that branch and others. They stated their banking relationship had broken down.*

*As part of my investigation, I asked Nationwide to provide more detail about what made Ms P's previous behaviour to be challenging and intimidating as they've alleged. In summary, they said she raises complaints when she's unhappy with the service, she is demanding and argumentative, she visits around three or four times a week, her requests are labour intensive and she responds poorly when her requests aren't met. On the other hand, Ms P said she was treated unfairly in the branch in question and she doesn't get a similar treatment elsewhere.*

*Based on Nationwide's policy relating to verbal and aggressive behaviour, there is a clear process for employees to follow which involves reporting instances to an internal team. However with the exception of the branch incident in June 2020, there is insufficient evidence of any other reports involving Ms P. Nationwide said she had been warned verbally by a branch manager. They allege she had acted unreasonably in other branches but I haven't been provided with statements from these said branches. Based on the information presented to me, I find there is insufficient evidence of Ms P being warned about her alleged behaviour or restrictions placed on the services she can obtain. If a warning had been given and her behaviour hadn't changed, I find it would've been reasonable for Nationwide to have taken further action sooner but there's insufficient evidence they did. On balance, I can't say Nationwide took steps to engage constructively with Ms P about her alleged behaviour. Overall, I find there is insufficient evidence of a prolonged pattern of Ms P's alleged unreasonable behaviour, over an extended period of time and across a number of branches as Nationwide has asserted throughout this complaint.*

*So I question, had the branch incident in June 2020 not occurred, would Nationwide have closed Ms P's account when it did in September 2020 due to her alleged unacceptable behaviour. I'm not convinced they would have because it would've happened already.*

*Nationwide's account terms say they can end their banking relationship providing they give two months' notice (60 days). They aren't required to provide a reason and I must stress the decision to provide banking services is a commercial one. Although not obligated to provide a reason, in this case they've done so. Therefore I find it reasonable for me to consider whether it's fair, clear and supported by evidence. For the reasons explained above, I'm not persuaded it is. I don't find Nationwide had sufficient evidence that supported their decision to close Ms P's accounts.*

*Given the number of calls and letters from Ms P to Nationwide about it, I can understand why she was confused and frustrated by their decision and I will take this into account when making an award for the distress and inconvenience she experienced.*

#### *How to put things right*

*Below, I will explain what I find Nationwide should do to put things right. However I wish to make it clear that in doing so, I haven't solely considered the branch incident but all factors that I consider to be key including the level of service Nationwide provided after the event and the impact of the same on Ms P.*

*To summarise the key events in this case. Ms P said she was given conflicting information as to whether she could obtain the letter she needed in branch, she was prevented from going inside and told to provide her account details on a piece of paper while waiting outside despite her concerns relating to fraud. She was falsely accused of making a threat of violence, Nationwide decided to close her accounts and in my opinion that decision wasn't supported by clear evidence. Lastly, despite raising her concerns, expressing how the situation made her feel and the allegation of discrimination, it doesn't appear these were addressed or taken seriously by Nationwide.*

*Ms P said when she complained, Nationwide failed to take into consideration the impact of the branch incident and the staff member dealing with the complaint laughed when she raised her complaint about racial discrimination. Nationwide have provided copies of their calls.*

*Having listened to them, I can't hear the staff member laughed. However he told her she hadn't been discriminated against. By the time of this call, there is no indication Nationwide had investigated the allegation of discrimination so it's disappointing he had reached his own conclusion without considering it fully or taking into account Ms P's feelings. Had he done so, it's unlikely a reasonable business would maintain they have nothing to apologise for despite Ms P clearly expressing the impact of this situation after Nationwide admitted she made no threat of violence. In a later call, Ms P raised the incident in the USA and she was told "that would never happen here". I find such a comment would've further compounded Ms P's feelings about the situation. I find it demonstrated a lack of empathy and awareness of an event so prominent in the media which affected people across the world, not just Ms P.*

*Ms P has explained being accused of such a serious allegation has had a negative impact on her. She's explained she was made to feel like a dangerous person, a criminal who would cause serious harm to others which isn't true - a damage to her reputation and her character. She was fearful about police being called, how she might be treated and any*

*resulting impact on her career and further studies. She said she struggled to sleep, felt disrespected and her feelings were dismissed.*

*I find Ms P's repeated reference to the case in the USA further demonstrates her strength of feeling, concern and her sensitivity about issues of racial discrimination at the time (especially as it was so soon after). This can be seen based on her number of calls and letters. While I accept Nationwide are not responsible for the actions which led to Ms P's increased sensitivity, I am disappointed to see that when Nationwide knew it had made an error, they failed to understand how the error compounded how she already felt and her fears. Overall, I'm not satisfied Nationwide fully considered the impact of their actions and conversations on Ms P.*

*As part of my investigation, I outlined to Nationwide what Ms P has told our service about the impact of the situation and I said I was surprised they hadn't offered an apology or acknowledged how it made her feel. In response, they said they didn't have anything to apologise for due to her behaviour in their branches and C was right to report the incident. This is disappointing as it was another missed opportunity for Nationwide to fully consider their actions and the significant impact it had on Ms P.*

*I've explained above that I don't find Ms P was treated fairly during the situation in branch. Although Nationwide say the incident had nothing to do with their decision to close Ms P's accounts, their actions suggest otherwise. This is supported by the lack of evidence on their system that demonstrates they've considered her behaviour was unreasonable, they're unable to provide the service she requires and communicated the same to her.*

*But most significantly, I'm not satisfied with Nationwide's overall actions and conversations with Ms P after the branch incident. As explained above, they failed to fairly consider her concerns about how she had been treated and her allegation of discrimination. Also, they failed to demonstrate empathy and awareness about how the overall situation had impacted her and how their further actions compounded her strength of feeling that she hadn't been treated fairly.*

*Taking everything into account, I find Nationwide should provide a written apology to Ms P, including the acknowledgement of how the entire situation made her feel. I also consider it fair for Nationwide to pay £1,000 compensation to Ms P for the trouble and upset caused".*

#### *Response to the provisional decision*

Ms P accepted the findings however she didn't believe the compensation amount was enough given the trauma and emotional stress she experienced having been wrongly accused by Nationwide. Nationwide didn't accept the findings but they said they were willing to pay the compensation in order to resolve the complaint.

#### **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 thank Ms P for her comments which I've considered. I wish to reassure her that I've carefully thought about what she had told our service and Nationwide about how the situation impacted her. My thoughts were outlined in my provisional decision so I won't repeat them again. Having done so, I remain of the belief £1,000 is a fair compensation amount given the circumstances.

On the basis I haven't been provided with any further information by either party to change my decision I still consider my findings to be fair and reasonable in the circumstances. Therefore, my final decision is the same for the reasons as set out in my provisional decision.

### **My final decision**

For the reasons set out above, I've decided to uphold Ms P's complaint.

To put things right, Nationwide Building Society must:

- Provide a written apology to Ms P as directed above;
- Pay £1,000 compensation to Ms P for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 6 February 2023.

Simona Charles  
**Ombudsman**