

The complaint

Miss H is unhappy with the length of time it's taken for Nationwide Building Society to remove her from an account she held jointly with her now ex-partner.

What happened

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail here. But, in summary:

- In January 2020 Miss H and her now ex-partner (Mr H) completed two separate requests for Miss H to be removed from the two joint, current accounts they held with Nationwide. One request was actioned promptly, but the other was held pending further checks. Miss H was eventually removed from the account at the end of March 2023, after both she and Mr H raised complaints with Nationwide.
- Nationwide said it couldn't remove Miss H from the account in 2020 because she didn't respond when it asked her to. But it accepts it ought to have removed her, following further contact, in May 2022. So it agreed with our investigator's recommendation to pay Miss H £600 compensation to recognise its failings and the impact this had on Miss H.
- Miss H didn't think the offer of compensation was sufficient, given the length of time, and impact caused, by the society's mistake. So the complaint came to me.

I issued a provisional decision earlier this month which explained why I thought the outcome the investigator had reached was fair and reasonable in the circumstances. I have reproduced my provisional findings below:

I would first say that Mr H and Miss H have both raised complaints about this matter and Nationwide dealt with those complaints separately. Mr H and Miss H are aware of, and have each consented to, the other's complaint being brought to this service. But neither is now party to the other's complaint. I think that's appropriate given the current situation. I have considered both complaints in parallel as they share a lot of common evidence.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And, having done so, I think Nationwide ought to have removed Miss H from the joint account in January 2020. But I also think Miss H ought to have realised sooner that this hadn't been done and taken steps herself to sort this out. With this in mind, I currently think that £600 compensation is a fair and reasonable award – I'll explain why.

It's not in dispute that Mr H and Miss H submitted a form to Nationwide in January 2020 asking it to remove Miss H from their joint account. But Nationwide says she wasn't removed at that point because it needed to check she agreed to the request. The evidence suggests it wrote to Miss H at the address Nationwide held for her, asking her to get in touch, but she didn't do so.

I don't dispute Nationwide's suggestion that it's entitled to carry out checks to verify this type of request when it deems such to be necessary. However, it's also now become clear that Mr H and Miss H submitted a separate request for Miss H to be removed from their other joint current account on the same day. And that request was actioned promptly, without any additional checks. Nationwide hasn't provided me with a copy of that other form or explained why that request was actioned while the other one needed additional verification. Both accounts ought to have been linked to Miss H's one customer profile. And, in the absence of supporting evidence, I can only conclude that Nationwide ought to have removed Miss H from both accounts in 2020.

As noted above, Miss H was eventually removed from the second account at the end of March 2023. Miss H says she has suffered three years of inconvenience as a result of not being removed from the account in 2020. She also says the delays have prevented her from obtaining a mortgage at the interest rates that were available in 2020 and which are considerably lower than the rates currently available. With this in mind, she thinks she should receive a higher amount of compensation and that Nationwide should offer her a mortgage based on the interest rates that were available in 2020. I've considered Miss H's comments carefully but have also taken the following into account:

- It's my understanding that Miss H had already moved house when she asked to be removed from the account and so no longer lived at the address that Nationwide held for her. The account removal form she completed in January 2020 said at the top "If any account holder has changed their address a 'Change of Address' form must also be completed." Miss H says she and/or Mr H told Nationwide this and gave it her new contact details. But I've seen no evidence to support this.*
- Nationwide said it called Miss H after receiving the January 2020 form but was unsuccessful in contacting her – I've seen no supporting evidence of that call attempt. But Nationwide has also provided a copy of a letter dated 21 July 2020 asking her to get in touch about "Removal of Account Holder". It's not clear why it took the society seven months to send this letter after receiving the form and its customer notes give no additional detail about this. But what I do note is that the letter was sent to the address Nationwide held at that time for Miss H. She says she'd already moved out, but I understand the property was still owned jointly by Mr H and Miss H until it was sold at the end of 2020. And Mr H was still living there at that time. So it's not clear to me why the society's letter didn't reach Miss H either having been passed on by Mr H or, if that wasn't a suitable arrangement given their relationship at the time, why Miss H didn't have a formal mail redirection arrangement in place.*
- Nationwide didn't have Miss H's new address, but it did hold her correct (and still current) email address and mobile phone number. With this in mind, Nationwide says Miss H would have been sent monthly emails advising her that her account statement was ready to view. Those statements show that the account was still in joint names. And the society also sent texts, on occasion, as Miss H had opted into the "text alert balance" system. I have no reason to doubt that Miss H would have received these emails and texts. I say that, not least, because she has confirmed she was receiving them and shared one of the emails with us, from March 2023. If Miss H thought the necessary steps have been completed in order to remove her from all of the accounts she held with Nationwide, then I have difficulty understanding why she didn't contact them sooner having received such emails and texts over the years. Nationwide says Miss H is signed up to online banking but it hasn't provided her online account activity. So I can't see if she logged on to her account between January 2020 and 2022. But I think, having received the monthly statement emails, she ought reasonably to have known she was still party to the account and made contact herself with the society to sort this out if it isn't what she wanted.*

- *Miss H says she applied for a mortgage with Nationwide at some point in 2020. But it's clear that she didn't proceed with the mortgage or buying a house at that time. She hasn't said why but I can't rule out the possibility that other factors were at play here which prevented her from proceeding. But if it was solely down to the fact she hadn't been removed from the joint account earlier that year then I don't see why she didn't try personally to sort that issue out then. Yet Nationwide's records indicate the first contact she made with it about this matter was in 2022.*
- *I think it's possible Miss H knew she was still party to the account but sorting this out wasn't a priority at the time given the account was used for very few payments and it only became a priority in May 2022 when Miss H was trying to get a mortgage.*
- *Miss H says the mortgage applications she made in 2022 were declined solely because she was still linked to the joint account. Nationwide has accepted that it ought to have removed her in May 2022 after a new removal form was submitted and, in February 2023, has written a letter confirming as much for Miss H to share with the credit reference agencies. However, this letter was sent to the address Miss H shared with Mr H and which she moved away from in 2020. I believe Nationwide now has Miss H's correct address as the statement email it sent her in March 2023 shows her current postcode. But it's not clear when Miss H gave the society her new address. It's possible Miss H would benefit from Nationwide reissuing this letter to her correct address, so I think it should do so now.*

Given everything I've said, and in all the circumstances of this complaint, I currently consider £600 to be a fair and reasonable award.

In response to my provisional decision, Nationwide reiterated that its internal process relating to account holder removal allows it to write to customers to authenticate them and it followed that process in relation to the account in question. It also confirmed that it has received Miss H's new address and would reissue the February 2023 letter I referenced in my provisional decision.

Miss H confirmed receipt of the letter and advised that this has been shared with the credit reference agencies (CRAs). She also noted, in summary that:

- The CRAs have said removal from the joint account and time are the only things that will bring her credit score back up to a suitable level and this could take up to three years.
- She had a good credit score before this issue arose. Nationwide's failure to remove her from the account promptly has negatively affected her score and, as a result, her overall financial situation and her mental health.
- The only reason she wasn't granted a mortgage was because of her links to the joint account and both she and Mr H asked Nationwide, on numerous occasions, to remove her. When she initially realised this hadn't been done, she didn't think it would affect her credit score.

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 note Nationwide's reference to its internal process and I accept that, on occasion, it may need to authenticate its customers. But, given the inconvenience and delays this can cause, I would expect there to be a specific reason that warrants that authentication such as a

signature mismatch on the form or some other concerns about the veracity of the request. Nationwide has still not explained why it needed to authenticate Miss H and its decision to do so on one of the joint accounts is entirely at odds with the decision not to do so, at the same time, on the other joint account.

I note Miss H's additional comments and it seems she now accepts that she knew she hadn't been removed from the account in 2000 but didn't take action to rectify this until 2022 because she didn't realise it might have some detrimental impact. I remain satisfied that Nationwide ought to have removed Miss H from the account in 2000 but, for the reasons set out in my provisional decision, I'm also still satisfied that she could have done more to put the situation right. I think Nationwide, Miss H and Mrs H all have some responsibility here for things having not gone according to plan.

In, all the circumstances, I still think £600 compensation is a fair and reasonable award.

My final decision

My final decision is that Nationwide Building Society should pay £600 compensation to Miss H. It should do so within 28 days of the date on which we tell it that Miss H accepts my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 17 November 2023.

Ruth Hersey
Ombudsman