

## **The complaint**

Mr S complains Nationwide Building Society blocked and later closed his accounts. He's unhappy with how he's been treated by Nationwide and would like compensation.

## **What happened**

The facts which led to Mr S bringing this complaint to our service are well known to both parties, so I am not repeating them in full here.

In summary Nationwide blocked Mr S's accounts and then closed them. Mr S was unhappy with the way Nationwide had treated him and the fact they had registered a CIFAS marker against him. He had requested digital copies of his account statements which he hadn't received.

Our investigator concluded that Nationwide could have done better and recommended that it remove the marker, refund Mr S's funds together with interest from the date the funds were withdrawn until payment. Pay Mr S £75 offered in the final response letter as well as £800 for the distress and inconvenience caused. Respond to Mr S's subject access request (DSAR).

Nationwide agreed with the view, but Mr S was unhappy with the amount of compensation. He said Nationwide's failures had prevented him from operating his business and getting contracts. He wanted the compensation to reflect these losses.

Our investigator looked at things again – she thought Mr S couldn't receive compensation for losses his company had incurred. She didn't think Mr S had been aware of the CIFAS marker for most of the time it had been in place. She acknowledged that Mr S had suffered stress as a result of the situation, but she thought the original compensation was fair.

Mr S disagreed so the matter has come to me to decide.

## **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'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything that Mr S and Nationwide have said before reaching my decision.

Mr S has submitted a large volume of material to us in support of his complaint, I'd like to reassure Mr S that I've reviewed all the material he has submitted. Having done so I'm

satisfied that Nationwide could have acted better in dealing with Mr S.

#### *Block, closure,*

Mr S used his account and a trading platform to trade cryptocurrency. One of Mr S's buyers reported to his own bank that he had been scammed. The buyer's bank contacted Nationwide and Nationwide removed the funds from Mr S's account. They blocked his account and then proceeded to close his account.

Mr S has maintained that he did sell the cryptocurrency to the buyer. He has provided evidence to this service of the trade and also that he reported his buyer to the cryptocurrency platform. I am satisfied that Mr S was innocent of any wrongdoing. Nationwide should have asked Mr S for evidence of his trades etc. Mr S provided Nationwide with information about his sale of cryptocurrency. Nationwide didn't look at the information and decided to exit Mr S with immediate effect.

Our investigator concluded that Nationwide could have done things better and she thought Mr S should be compensated for the immediate closure of the account.

I know Mr S is unhappy we didn't acknowledge that Nationwide hadn't taken the evidence he sent seriously and hadn't reviewed it. I'd like to reassure Mr S that I have looked at all the information he has provided in reviewing his case and reaching this decision. Looking at the evidence I'm satisfied Nationwide made an error when they closed Mr S's account with immediate effect. The investigator awarded compensation for distress and inconvenience caused by the immediate closure. I have considered this in the section on compensation below.

#### *CIFAS*

Nationwide loaded a CIFAS marker against Mr S in December 2020. Mr S became aware of the marker in May 2022. On review of the evidence, I'm not satisfied that Nationwide had sufficient evidence to load Mr S with a CIFAS marker. The investigator thought the CIFAS marker should be removed, and it has been. She awarded compensation for the fact the marker had been placed on Mr S's record when it shouldn't have been.

I know Mr S has complained to CIFAS and looked at exchanges of information between CIFAS and Nationwide. He has sent us this information. I know Mr S is very unhappy with the way Nationwide and CIFAS conducted their exchanges. I accept Mr S is very unhappy with this whole situation. Unfortunately, we aren't here to investigate CIFAS, so much of the information that Mr S has collected regarding interactions between CIFAS and Nationwide do not assist me in reaching the findings I am able to reach. By this I mean this service isn't here to punish CIFAS or Nationwide. Our remit as a service, is to establish whether there was sufficient evidence for a marker to be recorded and if not to direct the marker to be removed. In this case I don't think there was sufficient evidence for the marker to be loaded. I'm glad that the CIFAS marker was removed before the investigator issued her view. I know that Mr S wasn't aware of the existence of the marker until May 2022 when one of his other accounts was closed.

The investigator awarded compensation for the CIFAS marker being on Mr S's file. Mr S didn't think the overall award was enough. I have considered the award for distress and inconvenience below under compensation.

I know Mr S has said that he has lost out on business as a result of the marker and not having access to his statements and I will deal with that below.

## *DSAR*

Mr S raised a data subject access request (DSAR) against Nationwide- he wanted to obtain all the information that Nationwide held about him including his statements of his account. Mr S has said he needs statements in electronic format in order to provide to future employers as evidence he has been trading for a long time.

There were delays with Nationwide providing Mr S with the DSAR information he requested. I know Mr S complained to the information commissioner's office (ICO) who upheld his complaint.

Mr S has said the information isn't complete. Mr S has said he hasn't received copies of his statements in electronic format. Nationwide originally said they have sent these to Mr S. I have asked Nationwide to confirm when and where these electronic statements were sent. Having done so they confirmed that they hadn't sent Mr S statements in electronic format as requested.

Having chased Nationwide, I have now heard from them, and they have confirmed that they will be able to provide Mr S with a copy of his statements in a csv format.

I know that Mr S would be able to access these statements if he still had access to his account. Mr S is saying that the immediate account closure prevented him from downloading the statements in the format he needs. I know that the investigator asked Nationwide to provide the statements to Mr S, but they haven't done so. As this is a consequence of the immediate closure which I have found to be unfair I require Nationwide to provide Mr S with the statements in csv format.

Mr S has said he needs information that Nationwide are withholding in order to bring a claim against Nationwide. This isn't something that I can comment on. If Mr S is unhappy with the information received through the DSAR, he should submit another DSAR to Nationwide.

Mr S has said that not having his statements in electronic format has cost him jobs and he has lost out financially because of this. I will deal with Mr S's financial losses below.

## *Compensation*

The investigator awarded compensation for distress and inconvenience caused to Mr S. This was £800 together with £75 already awarded by Nationwide and £60 already paid by Nationwide. These amounts are to compensate Mr S for the distress caused.

Mr S is unhappy with the amount and has said he has suffered mental health problems and has had to consult his GP and mental health practitioners as a result of the stress. I am very sorry to hear of the issues Mr S has had. I have considered the compensation for distress and inconvenience that has been awarded so far. I consider it to be fair in the circumstances and in line with the sort of awards we would make. So, I see no reason to change it.

## *Other losses*

Nationwide has accepted they could have done things better and have agreed with the original assessment of compensation our investigator came to. Mr S disagrees with the investigator's assessment and would like other losses to be paid to him. Mr S has mentioned the losses relating to job opportunities missed or withdrawn due to not having access to electronic statements and to the CIFAS marker. He believes that he lost out on jobs because of these issues, and he has estimated his losses to be in the region of £100,000.

I have seen from the evidence provided by Mr S that he has been extremely upset about the CIFAS marker and he has told us it has affected his mental health.

Mr S has said that the issues that he has had with Nationwide and the CIFAS marker have meant that he has lost two years of his life. He hasn't been able to get work for the past two years. He has said that he would like to be put back in the position he would have been had Nationwide reviewed the evidence he provided to them in November and December 2020. Mr S estimates these losses to be in the region of £100,000.

The investigator asked Mr S for evidence of his losses, in particular evidence of jobs lost or withdrawn specifically because of the statements not being available or the CIFAS marker being registered.

Mr S has made some bold statements suggesting that his lack of work for a two-year period was a direct result of the CIFAS marker and the inability to provide electronic statements. Therefore, we would need to see proof of this. Mr S has said he has no concrete proof he can provide us, but he wouldn't normally be without work for that length of time. I appreciate Mr S's position but there may be other reasons why Mr S didn't get the jobs he applied to including the global economic situation at the time and the pandemic. Mr S has also mentioned his company. I am aware that IT professionals can carry out their work through their own service companies. However, a company is a separate legal entity and as the investigator has explained we cannot compensate Mr S for losses incurred by his company as it isn't a customer of Nationwide.

Mr S has said he couldn't work for two years yet his IT service company was trading at the time. Providing services through his company could have been an option for him that circumvented the need to provide account statements for his personal account. So, I think there were other ways in which Mr S could have engaged in work during that period and mitigated his losses.

I know Mr S will be unhappy with this but as an evidence-based organisation, I cannot award him compensation for personal losses he cannot evidence.

I appreciate that Mr S has spent a long time trying to uncover what happened with his account closure and why Nationwide registered a CIFAS marker against him. He has had a difficult time trying to clear his name and show that Nationwide acted unfairly towards him.

I know that Mr S will think that this decision doesn't go far enough in getting him justice and recompense. I know that Mr S would prefer for Nationwide to be punished or held to account in some way for what they have done and the way they treat their customers or run their business. Unfortunately, this isn't something that I can look into, and it isn't part of the remit of the Financial Ombudsman Service. I have however looked at the evidence and the circumstances of his particular case.

Having looked at the evidence I am satisfied that Nationwide acted unfairly in the way they treated Mr S and should pay him compensation for the inconvenience and distress that they have caused him.

In summary Mr S hasn't been treated fairly by Nationwide. To put things right Nationwide should pay Mr S £75 already promised in the final response letter together with a further £800 for his material distress. Return his funds to him and because he was deprived of his funds Nationwide should pay 8% interest on the balance in his accounts from the date the balance was removed until date of settlement. Nationwide must provide Mr S with his bank statements in an csv format.

### **My final decision**

For the reasons stated above I partially uphold this complaint. I direct Nationwide Building Society to:

- pay Mr S £75 already promised in the final response letter together with a further £800 for his material distress.
- Return his remaining balance that they removed from his account and in addition, because he was deprived of his funds, pay 8% interest on the balance in Mr S' accounts from the date the balance was removed until date of settlement.
- Provide Mr S with his bank statements in a csv format.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 January 2024.

Esperanza Fuentes  
**Ombudsman**