

The complaint

Mr B complains that Nationwide Building Society mishandled a request from his son to make a withdrawal from his account as an authorised third-party. Mr B is unhappy about the misinformation given and the service Nationwide provided at its branch.

What happened

Mr B relies on his son to do his banking as he is housebound and vulnerable and has set up a third-party mandate for his son on his Nationwide account. Mr B contacted Nationwide to urgently send some money to his son while he was in the hospital. Nationwide's agent told Mr B on a phone call that his son needed to come to a branch, and the branch would close in 30 minutes.

Mr B's son called Nationwide to say that he would arrive shortly and then met the branch member of staff he had spoken to. She called Nationwide's specialist team who said they had told him not to come to the branch as he couldn't get money out. Mr B's son wasn't allowed to speak to the specialist team and had to leave the branch without the money as it was closing.

Mr B complained to Nationwide, and it called him and apologised. Nationwide said it had provided incorrect information in that Mr B wasn't told he wouldn't be able to make withdrawals until a few days later, and it apologised for the service his son received in branch. Nationwide said Mr B's son called back and was given incorrect information again. Nationwide paid £100 compensation and £17 for the taxi fare Mr B's son had had to pay to get to the branch.

Mr B's son said the compensation was not enough because he was stranded and had to pay a lot for a taxi and had to walk one hour to the branch. He said his mental health was disrupted by the experience. He referred the complaint to our service.

Our investigator didn't recommend the complaint be upheld. She said the third-party mandate wasn't in place when the withdrawal was requested, and Mr B's son couldn't provide receipts for the request cash withdrawal. She said Nationwide had followed its procedures correctly regarding third-party withdrawals. She said the compensation and taxi fare Nationwide paid is in line with our approach and she wouldn't ask Nationwide to do anything more.

Mr B was unhappy with this response and requested an ombudsman review his complaint. Mr B's son said his father 'wants above £750 compensation regarding all this mess with the nationwide bank and from the way you've dealt with this matter'.

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.

The complaint has been brought on Mr B's behalf by his son. As the consumer in this complaint is Mr B it is his circumstances that I have focussed on in the main. I've looked at Nationwide's handling of Mr B's request and communications between the parties.

When a bank makes a mistake, our role is to see if it has put its customer back in the position they were in before the mistake took place. And so I have thought about whether Nationwide's reimbursement of Mr B's son's costs and payment of £100 compensation is sufficient for the impact of its incorrect information and the distress and inconvenience that this caused in visits to its branches.

Mr B couldn't access his funds he needed urgently on 1 December 2023, via his son, as the third-party mandate that he had put in place wasn't effective until 8 December 2023. I can see that Nationwide misinformed Mr B about this and put his son to wasted effort on the day of his branch visit as the third-party mandate wasn't operative at that time.

From the call recordings provided, this wasn't the fault of Nationwide's branch staff as they relied on information from Nationwide's specialist team. I don't think they were being unhelpful to Mr B's son though I can see he was frustrated at not being allowed to speak to the team when he was at the branch. The branch was closing, and Mr B's son had to leave. This was unfortunate but I don't think anything was going to be achieved at this point.

The third-party mandate is now in place and Mr B's son can make withdrawals, with receipts to show what the withdrawals are for. This is in line with Nationwide's policy, and it said that Mr B's son didn't have these when he wanted to make the withdrawal on his visit to its branch. This might have defeated the desired withdrawal in any event but is subsidiary to the inconvenience caused as Mr B's son may not have been aware of this requirement.

Nationwide said it understood how this issue made Mr B's son feel in branch. I sympathise with him for the frustration and humiliation he said he experienced and I'm sorry to see the effects on his mental health. However, this was an isolated problem of short duration, and I can see that Nationwide explored work arounds to help Mr B in his very difficult situation. And so I think Nationwide has offered fair and reasonable compensation based on the circumstances of the complaint.

I realise that this isn't the outcome Mr B wanted to his complaint, but having considered what happened I think that Nationwide has put forward a fair and reasonable resolution of the complaint.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 March 2024.

Andrew Fraser
Ombudsman