

## The complaint

Mr J complains about a financial loss due to Nationwide Building Society not processing his applications for a savings account.

## What happened

I issued my provisional decision on 29 January 2024, and this is what I said:

*I've considered the relevant information about this complaint.*

*Based on what I've seen so far, there will be a different outcome to what our investigator proposed. Before I issue my final decision, I wanted to give everyone a chance to reply.*

*I'll look at any more comments and evidence that I get by 12 February 2024. But unless the information changes my mind, my final decision is likely to be along the following lines.*

### *The complaint*

*Mr J complains about a financial loss due to Nationwide Building Society not processing his applications for a savings account.*

### *What happened*

*Mr J says that he has over £200,000 in savings and has, without success, been trying to open a savings account with Nationwide for approximately 8 years.*

*Mr J explains that on numerous occasions he attempted to open accounts through Nationwide's on-line system and Banking APP, but he didn't receive a reply. Also, when he called Nationwide customer services, they said they would contact him by letter or email, but these never materialised. In addition, there appeared to be an issue with his identity documents and branch staff were unable to help.*

*When Mr J complained to Nationwide, they explained the reason they were unable to open an account online was because a historic application had set a requirement for additional identity documents which weren't provided. So, they considered that they weren't at fault for not opening a new account.*

*However, as they sent emails saying they would get in touch if they needed further information, Nationwide offered Mr J £225 compensation.*

*Mr J contacted our service as he believes that, by being unable to open a savings account, he has been denied approximately £48,000 in interest.*

*Our investigator's view was that Nationwide should increase their compensation offer to £325.*

*However, neither party agreed, so this case has now been referred to me to look at.*

### *What I've provisionally 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 have a different view to the investigator, and I'll explain why I'm not upholding this complaint.*

*Although I'm persuaded that Mr J wanted to open a Nationwide savings account and encountered difficulties, I don't think it would be either fair or reasonable to ask Nationwide to cover the interest Mr J believes he could've earned. I say this because there are many investment opportunities and savings products in the financial market, and I think Mr J could've quickly mitigated any potential loss here.*

*From reviewing the file, although Nationwide are entitled to request additional identity information, it's clear that they should've removed a system block and automated application communications could've been better.*

*Regarding automated systems I should explain that I can't tell a business to make alterations to their systems and procedures. This is because we aren't the regulator of the financial services industry. However, what we can do is consider each individual case and, where we think a business hasn't acted fairly and reasonably in the circumstances, our role is to decide what should be done to put right any financial or non-financial losses that a consumer has experienced. So, we can ask a business to pay a proportionate level of redress.*

*In this case Nationwide have offered £225 redress and, when considering if this was a reasonable amount, I looked closely at the file, historic call transcripts and the following explanation from Nationwide as to why they disagree with a £100 increase to the redress:*

- 'In October 2020 we agree that Mr J spoke to us about the issue and was slightly disappointed the advisor he spoke to couldn't open the account for him. But during the call we explained what steps he could take to get the account opened and therefore he was aware at the 1st point of contact how to resolve the issue. Mr J said I can ring them'.*
- 'In fact during the call Mr J confirmed that he had located the telephone number for the branch and would be in contact with them'.*

*I requested the October 2020 call transcript as it was incomplete. I found Nationwide's above call summary to be an accurate account of the call. Their representative explained that a specialist branch team could resolve Mr J's issue and the call concluded with Mr J saying, 'I can ring them.'*

*Nationwide also said:*

- 'Had Mr J raised the complaint with Nationwide then the outcome would have been the same, that he needed to visit his local branch to provide the information required to lift the block on his account. During the call he was advised he needed to make contact with the branch so had the information he needed to resolve the situation'.*
- Nationwide 'cannot be held responsible for Mr J not contacting the branch when he knew that was the next step he needed to take to resolve the issue.'*

*It's clear Nationwide should've taken the identity requirement block off their system. However, due to identity verification requirement and their responsibilities, which include customer protection, I don't think it was unreasonable for Nationwide to have required identity verification before opening a new account and for them to refer Mr J to their specialist team. And I'm satisfied that Mr J could've resolved this issue and opened a savings account back in 2020 had he called Nationwide as he indicated he would.*

*So, considering all the above and all the information on file, including Mr J's dissatisfaction with Nationwide's automated communications, I think Nationwide £225 offer is fair and reasonable redress here.*

*My provisional decision*

*For the reasons I've given above, it's my provisional decision not to uphold this complaint.*

*I'll look at anything else anyone wants to give me – so long as I get it before 12 February 2024.*

*Unless that information changes my mind, my final decision is likely to be as I've set out above.*

### **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.

Mr J didn't respond to my provisional decision and Nationwide said they had nothing further to add.

So, as no further arguments or evidence have been produced in response to my provisional decision, my view remains the same.

I therefore adopt my provisional decision and reasons as my final decision.

### **My final decision**

My final decision is that I'm not upholding this complaint.

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

Paul Douglas  
**Ombudsman**