

The complaint

Mrs B complains on behalf of herself and Mr T that Nationwide Building Society (“NBS”) requested ID from Mr T despite holding accounts with NBS for a number of years. In particular they are unhappy that when they provided the information requested NBS lost it and claimed it never received it and are overall unhappy with the service received regarding this matter.

What happened

Mrs B and Mr T hold a joint account with NBS which previously was also in their mother’s name who has since deceased. Mr T also holds other accounts with NBS and has done so for a number of years.

NBS wrote to Mr T asking for updated ID on 9 August explaining it was a legal requirement and what was needed giving him 21 days to provide the requested documentation. A further letter was received regarding this dated 23 August. Mr T says he called NBS in response to this but wasn’t able to make contact. Having received no response NBS wrote further regarding the matter saying a block will be applied to the account unless it receives the requested ID.

Mr T called NBS on 6 September and was asked to take ID into branch along with completed forms to have the account transferred into a sole name if that was required. Following this Mrs B went to a branch and picked up an account holder removal form to remove Mr T from the account as she wanted to keep the account open in her name.

Having not received the ID requested from Mr T a block was applied to the account on 13 September and this was confirmed in writing at the same time. Mr T says he visited a branch of NBS on 19 September and provided his ID and completed account removal forms. But NBS has no record of this and so sent a letter dated 27 September advising Mr T’s accounts would be closed if no ID received.

Mrs B called NBS and explained that Mr T had visited a branch with ID and was told she’d get a call back. NBS failed to call back and Mrs B says she had to chase on two occasions. Mrs B explained that it was difficult for Mr T to visit a branch due to work commitments and it was agreed someone else could go in with the ID and completed forms on his behalf.

The following week NBS received the ID for Mr T and following this his ID was verified and the account was reinstated on 23 October but as it didn’t receive the forms to remove anyone from the account it remained in joint names.

Mrs B complained to NBS about all of this. NBS didn’t uphold the complaint, it says it has a responsibility to hold the correct ID for its customers and it followed the correct process and no error had been made on its behalf.

Mrs B was dissatisfied with this and brought a complaint to this service on hers and Mr T’s behalf. Mrs B doesn’t understand why NBS needed proof of only Mr T’s ID despite him holding accounts with it for years and why she wasn’t able to access the account when it

didn't need her ID. To resolve the matter Mrs B wants access to the account and the account to remain open. Furthermore, Mrs B would like to know what happened to Mr T's ID that he handed into branch on 19 September and compensated for the distress and inconvenience caused.

One of our investigators looked into Mrs B's concerns but didn't think NBS had made an error as businesses have legal and regulatory obligations, they must meet including holding updated ID for its customers and so didn't think NBS had treated them unfairly in requesting this. And due to the lack of evidence they couldn't make a finding on when Mr T's ID was provided to NBS or if it had been lost.

Furthermore, as Mr T's ID has been now verified and full access to the account reinstated, they think the matter has been resolved fairly as there hasn't been enough evidence to show that the difficulties Mrs B and Mr T encountered were NBS's fault.

Mrs B disagreed, she wants proof Mr T didn't visit NBS when he says he did and has asked for an ombudsman's decision.

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 hope that Mrs B and Mr T won't take it as a discourtesy that I've condensed the complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mrs B's complaint is regarding NBS's request for Mr T's ID despite already holding this information and the service received around this – in particular, she is unhappy that Mr T provided the information required but NBS disputes it received this.

It might be helpful for me to say here that, as we are not the regulator, I cannot say what NBS needs to do to meet its regulatory obligations – such as what ID it needs to hold for its customers and when this needs updating. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

Rather my role is to look at the problems Mrs B and Mr T have experienced and see if NBS has done anything wrong or treated them unfairly. If it has, I would seek – if possible - to put Mrs B and Mr T back in the position they would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Mrs B is unhappy that even though both she and Mr T are existing long standing customers of NBS it only required Mr T to provide updated ID and that she was also blocked from accessing the account.

Mrs B may not understand NBS's reasoning for why it needs proof of identity of existing customers – and nor do I - but it is not up to me or her to determine what NBS should accept as proof of ID in order to meet its regulatory obligations – that is entirely up to NBS.

My understanding is that NBS already held the required ID for Mrs B's profile but not for Mr T's and so that is why only Mr T's ID was sort. Furthermore, NBS say that the account wasn't blocked for Mrs B, but rather it was only temporarily restricted for Mr T until he produced the ID.

So I don't think NBS acted unreasonably or unfairly when it didn't receive the information it requested it took the steps it said it would in the communications it had with them – including

restricting their account and potentially closing the account. And as I haven't seen anything to suggest the same policy isn't applied to all its customers, I can't say NBS has done anything wrong.

I understand some of the communications surrounding this caused some alarm, but I don't think NBS has acted unfairly in its communications as it was clear with what and why it needed the ID it did and the steps that would be taken if they weren't met and overall it was done in-line with regulations and overall, I think it was the circumstances which mainly caused the upset rather than NBS's actions.

Finally, Mrs B says Mr T dropped his ID into branch on 19 September. NBS disputes this. From the information I have available I can't make a finding on this point – it is a case of “he said, she said”. Mrs B has suggested we obtain CCTV footage, but even if this was available as explained above, we are an informal dispute resolution service and I don't think seeking CCTV footage would be practical or a proportional response to this complaint, especially considering Mrs B and Mr T have got what they've asked for in that the account has been reinstated and remains open.

I accept that Mrs B and Mr T have suffered some inconvenience in having to provide NBS with the documentation it requested. But I'm sure they understand that sometimes one has to spend some time dealing with personal administrative and financial matters that isn't always convenient – and in this case I don't think that NBS have been unreasonable or treated Mrs B and Mr T unfairly in its request for this and so I'm not persuaded any compensation is warranted. And so it follows I do not uphold this complaint.

My final decision

For the reasons I've explained, I've decided not to uphold Mrs B and Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr T to accept or reject my decision before 18 July 2024.

Caroline Davies
Ombudsman