

## **The complaint**

Mr J's complaint arises from what happened when Nationwide Building Society closed his credit card account in error instead of cancelling the balance transfer he'd requested.

## **What happened**

Mr J applied for and was granted a credit card with Nationwide in February 2024. As part of his application Mr J requested a balance transfer of other credit he owed. He then requested it be cancelled when he found out from that credit provider it wasn't possible to complete it. This led to Nationwide cancelling the card in error.

When Nationwide opened a new card account for Mr J it didn't include the introductory offer. After Mr J complained, the offer was added to his new account. Due to the way Nationwide carried this out, the account briefly appeared to have more credit available. This led to Mr J spending more on the account and going over the credit limit.

Mr J agreed to bring his account balance below the credit limit. But the sum he credited was insufficient. This led to Nationwide's collections department contacting Mr J on several occasions about the outstanding balance. A breathing space was then agreed so that Mr J wouldn't receive further phone calls from Nationwide about the outstanding amount. This has since been extended.

Nationwide told Mr J that as a gesture of goodwill it would amend his credit file but it wouldn't be able to do so until the account was returned to below its credit limit.

Mr J says that throughout this time the level of communication he had with Nationwide ought to have been better. Due to his personal situation and as a consumer with disabilities, Mr J said he experienced an unnecessary level of worry and stress when dealing with Nationwide's representatives.

Our investigator therefore considered that he was entitled to compensation of £250.

Nationwide has accepted our investigator's award finding.

Mr J isn't happy with this offer. He wants Nationwide to write off his overspend on the card and refund the lump sum payment he made to the card when he was asked by Nationwide to reduce the balance.

Mr J's complaint has therefore been passed to me for a 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.

We've set out our general approach to complaints about short-term lending - including all of

the relevant rules, guidance and good industry practice - on our website.

I would first like to say that I am sorry to read about the difficulties Mr J experienced. I won't repeat the full history of his complaint here as I can see that our investigator has already gone into this in a good amount of detail. However, I recognise that it has been extremely stressful frustrating for Mr J.

My role as an ombudsman is to look at what has happened and make a finding as to whether Nationwide treated Mr J fairly and reasonably – especially given his personal circumstances – or whether it could have done more. Having done so and seen the offer suggested by our investigator and now accepted by Nationwide, I won't be asking Nationwide to do any more as I think the offer is fair. I will explain why.

The circumstances of this complaint arose from an error made by Nationwide in cancelling Mr J's card application. Due to Nationwide's attempt to put Mr J back to the position he would have been in by adding back in the same introductory offer, his account appeared temporarily to have more credit than it actually did. This was because, as I understand it, his existing balance needed to be credited to the account and then debited. As a result of this, and not being aware of what had happened, Mr J spent more on the account leading to him going over the account credit limit.

To resolve the issue, it was necessary for Mr J to have a large number of telephone discussions with Nationwide representatives. Some of these calls did not go as well as they should. I think this is due to Mr J being put in the position where he had to repeatedly contact Nationwide to get his new account opened and then having go on to deal with the issues that followed from that. I've seen that Nationwide has reminded Mr J on several occasions of the need to be polite and courteous at all times when dealing with its employees. Having listened to the calls between Mr J and Nationwide representatives, his frustrations were often made very clear and directed towards those who were clearly trying to assist him. I do however think that much of what happened was a consequence of Mr J's condition and the level of stress and worry he was experiencing as a result of these events. In fairness, Mr J told a Nationwide representative quite early on in the complaint that this was a way his condition manifests itself, so that it could be noted on Nationwide's system notes as being part of his support needs.

I've thought about what more, if anything, Nationwide needs to do to put things right. Mr J has suggested that the payment he made to the account on 15 April 2024 be refunded. Given that there was an outstanding amount due on the account, I don't consider it's reasonable to expect this. Nor do I find evidence to support Mr J's allegation that he was made to pay this sum by some form of duress. I am though aware of the efforts by Nationwide to apply a level of forbearance about how soon this would need to be paid. Nationwide would then amend Mr J's credit file to reflect this.

But at the same time, I also think Nationwide could have done more to have shown a better grasp of Mr J's specific circumstances and health situation. For instance, by making it easier for Mr J to find out what was happening as it ran its processes to set up the new account and re-ad the introductory offer. From listening to the telephone calls, I have the impression that different teams were dealing with different aspects of Mr J's complaint. This looks to have sometimes made it harder for Nationwide staff to properly update Mr J each time he called in.

So I agree, as Mr J has suggested during a telephone call with a Nationwide customer service representative, that it might have helped matters if Mr J had been given the name and contact details of one person as the designated point of contact to provide him with information, updates and generally assist and guide him through the process.

I nevertheless remain concerned to learn of the impact that dealing with Nationwide through all this has had on Mr J, especially given his disability issues. Although I know Mr J would like me to do more, having thought carefully about everything I've seen, and given that Nationwide has now accepted our investigator's findings, I won't be asking Nationwide to do anything more. I think the compensation recommended by our investigator is reasonable and represents a fair outcome to Mr J's complaint.

Finally, I've seen that Mr J has complained that Nationwide has breached the Equality Act 2010 – which I take to mean that he is saying it failed to make reasonable adjustments for him. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law. Ultimately, however, I've decided this complaint based on what's fair and reasonable. If Mr J wants a decision that Nationwide has breached the Equality Act 2010, then he still has the option to go to Court.

I am sorry to have to disappoint Mr J on this occasion. I hope he understands the reasons for my decision and at least feels he has been listened to.

### **Putting things right what Nationwide needs to do**

It follows that I think it's fair and reasonable for Nationwide to pay Mr J the sum of £250 by way of compensation for distress and inconvenience.

### **My final decision**

Nationwide Building Society has agreed to pay Mr J £250 to settle the complaint and I think that offer is fair in all the circumstances.

So my decision is that Nationwide should pay Mr J £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 July 2024.

Michael Goldberg  
**Ombudsman**