

The complaint

Mr B complains that Nationwide Building Society disclosed information about him and his account that it ought not to have.

The details of this complaint are well known to both parties, so I won't repeat everything again here. Instead, I'll focus on giving the reasons for my 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'd like to be clear that it's not our Service's role to regulate businesses, this is the role of the Financial Conduct Authority (FCA), and so we wouldn't punish a business for its error. Our role is to consider the specific complaint and where we identify errors, consider how we can best try to put the consumer back into the position they would have been in had errors not occurred.

In this complaint, Nationwide doesn't dispute that it ought not to have disclosed this information. So, the question here is whether the £500 and apology it already offered is fair compensation for the impact of its error. I note that our Investigator felt a further £250 ought to be paid to Mr B. Nationwide accepted this recommendation, but Mr B did not.

After carefully considering the evidence in this complaint, I agree with our Investigator that a payment of £750 in total is fair in the circumstances - I'll explain why.

I'll keep my comments to what I think is relevant. If I don't comment on any specific point, it's not because I've failed to consider it. My remit is to take an overview and decide what's fair "in the round", at the same time ensuring I don't reveal any information that might introduce the risk, however small, of Mr B being identified when the decision is published.

I have carefully considered Mr B's testimony about the significant impact this disclosure has had on him and his life. Mr B feels Nationwide is ultimately responsible for the distress, inconvenience and legal costs he's incurred due to the court action taken by the third party who was pursuing the funds. He has explained that he feels Nationwide's errors are responsible for the irreparable breakdown in his relationship with this third party, and others, which has caused significant distress.

Whilst I don't doubt Mr B's testimony about the emotional and financial strain the proceedings have caused him, on the evidence available to me, I'm not persuaded that this is something Nationwide is ultimately responsible for. It would appear the third party was aware of the existence of this account and was pursuing information about the funds from Mr B prior to Nationwide's errors. I appreciate that the third party, and another individual, were provided with additional information that they might not otherwise have had access to

due to Nationwide's error. And I've carefully considered this, but based on the evidence I've seen, I am not persuaded that but for this disclosure, court action wouldn't have been taken. Whilst this information was used in the court submissions, these proceedings could have been initiated with less detail. And given the third party's interest in the funds and the content of the messages I've seen between them and Mr B, I don't feel the impact of the court proceedings can be fairly attributed to Nationwide's error.

For the same reasons, I can't say that Nationwide's error is the reason Mr B's relationship with the third party, and others, has deteriorated - the evidence I've seen indicates pre-existing tensions surrounding the funds. And whilst the disclosure of this information may have expedited things, I don't think the evidence supports that it was the cause. That being said, Mr B has explained how the information that was provided added additional strain to the relationships at that time – for example, the revelation that the funds had been withdrawn (information Nationwide agree it ought not to have been disclosed) led to additional questions over this specific account movement. And so, I do think it's fair to state that Nationwide's error caused Mr B distress and inconvenience that might have been avoided, at least at that time.

Mr B's testimony also indicates he was very upset and stressed by the fact Nationwide shared information it ought not to have on more than one occasion. This not only caused worry in relation to the proceedings but in relation to the confidentiality of his personal data.

It's also clear that Mr B had to spend time and energy raising his complaint with Nationwide. He's also told us that initially Nationwide denied it had made an error and I think this added to his frustration.

Finally, it's worth highlighting that Mr B has explained he had other significant life events occurring around that time which I think would have made all of this more impactful for him.

Taking everything into account, I think the £750 that our Investigator recommended, and Nationwide has now agreed to pay, is reasonable in the circumstances. I appreciate this decision will come as a disappointment to Mr B. But in reaching this opinion, I've considered the duration and nature of the impact and what I think can be fairly attributed to Nationwide's error.

My final decision

My final decision is that I uphold this complaint and direct Nationwide Building Society to pay Mr B, if it hasn't already done so, a total of £750 for the distress and inconvenience caused. I am aware it may already have paid part of this award, and if so, it must pay him the remainder.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 13 January 2025.

Jade Cunningham
Ombudsman