

## **The complaint**

Mr and Mrs H complain Nationwide Building Society (“Nationwide”) unfairly closed their accounts as punishment for raising complaints with this service and the Information Commission’s Office (“ICO”) - and did so without explanation. They add that in doing so, Nationwide has violated the regulator’s rules as a regulated business must act with integrity.

To put things right, Mr and Mrs H want an apology from Nationwide, and compensation for the significant distress and inconvenience they’ve suffered.

## **What happened**

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

In February 2024, following a review, Nationwide notified Mr and Mrs H that it was clear they were unhappy with many elements of the service it’s provided. Nationwide said the relationship had irretrievably broken down, so it’s taken the difficult decision to close their accounts.

Nationwide said it would close the accounts in 90 days’ time in line with the terms and conditions of the account. It also informed Mr and Mrs H what they needed to do to withdraw funds in their accounts.

Unhappy, Mr and Mrs H complained. Nationwide didn’t uphold Mr and Mrs H’s complaint saying that it’s entitled to make the decision to close their account and did so in line with its terms and conditions.

Mr and Mrs H referred their complaint to this service. One of our Investigator’s looked into their complaint, and they recommended it wasn’t upheld. In summary, their key findings were:

- Nationwide’s terms and conditions allows either party to exit the relationship, and it has done so by providing three months’ notice
- Mr and Mrs H had until May 2024 to make alternative banking arrangements. Mr H informed Nationwide he was going to be travelling for two and a half months, so wanted the closure deadline extended. Nationwide said he could forward evidence of his travel, but the closure decision wouldn’t be reversed.

Mr H didn’t send any evidence of his travel plans and says he didn’t do so for data protection reasons. But Mr H had said alternative banking arrangements had been made before the closure date

- The notice period Nationwide gave was fair and reasonable, and it hasn’t done anything wrong

Mr and Mrs H didn’t agree with what our Investigator said, for the same reasons they

referred their complaint. They added that Nationwide's complaint handler had said their accounts were being closed because they had chosen to complain on 21 February 2024. And this element hasn't been investigated by this service.

Mr and Mrs H say the reason Nationwide gave about their relationship breaking down irretrievably is neither accurate nor specific – and their banking relationship is contractual and constitutional.

Our Investigator looked into Mr and Mrs H's complaint further, and they made the following key points in response:

- Nationwide's complaint handler was polite, patient and addressed the questions posed to him by Mr H on the 22 February 2024 call. Mr H was insistent Nationwide couldn't close their account, but either party can end the agreement. Nor did Nationwide breach the Financial Conduct Authority's (FCA) principles
- Nationwide's agent said they had no reason to disbelieve the account wasn't Mr and Mrs H's main account, because of this Mr H thought this resolved another of their complaints, and the account closure decision should be rescinded. But this call took place after the notice of closure was sent
- There's no evidence from this call, that a threat of any nature was made by the call agent

Mr and Mrs H didn't agree that they hadn't been threatened by Nationwide's complaint handler. They say the handler said they would personally ensure the matter went no further. Mr H added that he was angry for being de-banked after being customers for around 24 years and so unfortunately raised his voice. And that he accused the handler of lying about the terms and conditions but later apologised once he had reviewed them.

Mr H reiterated that Nationwide had acted contrary to the FCA's principles by not acting with integrity and not paying due regard to its customers interests. He also questions whether its fair they can be punished for embarking on using its complaints process.

Our Investigator responded with the following main points:

- As the closure process was followed correctly by Nationwide, its actions were fair and reasonable and there wasn't a breach of the FCA principles. Mr and Mrs H were given sufficient notice given they were given three months' notice as opposed to the two months' it has to as per its terms
- Mr and Mrs H have referred to their complaint against Nationwide about not receiving a Fairer Share payment. But this isn't a complaint they can consider here as it's part of a separate complaint and final response letter

Mr H didn't feel our Investigator had listened to the entire call that took place on 22 February 2024. Mr H then listened to the call and has set-out the precise time on it at which he says the complaint handler said *"he, and only he, will handle any complaints about the account closure"*. And since the complaint handler claimed he had been involved in the decision to close the account, this is unfair.

As there's no agreement, this complaint has been passed to me to decide.

## **What I've decided – and why**

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything Mr and Mrs H and Nationwide have said before reaching my decision.

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 decided not to uphold this complaint. I'll explain why.

Nationwide is entitled to close an account just as a customer may close an account with it. But before Nationwide closes an account, it must do so in a way, which complies with the terms and conditions of the account.

The terms and conditions of the account, which Nationwide and Mr and Mrs H had to comply with, say that it could close the account by giving them at least two months' written notice. And in certain circumstances it can close an account immediately or with less notice.

Nationwide explained that it closed Mr and Mrs H's accounts because it was clear they were unhappy with many elements of the service it has been able to provide. So Nationwide feel the relationship had irretrievably broken down.

Mr and Mrs H are correct to say this specific reason isn't cited in the terms and conditions. But the reasons they have recounted apply when Nationwide may decide to close an account with immediate effect.

So I need to consider whether closing the accounts for the relation breaking down irretrievably is fair and reasonable in all the circumstances of the case. In doing so, I've taken into account all relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and where appropriate what I consider to have been good industry practice at the relevant time.

On the 22 February 2024 call, Nationwide's company handler said its decision was based on a holistic review of the account activity over a period of six to eight months, and it wasn't based on any singular issue. They added that Mr and Mrs H have sent a relentless nature of emails, and its clear they are unhappy with Nationwide.

To support its decision to close the account, Nationwide has sent this service documents which show Mr and Mrs H had made several complaints in recent time ranging from Nationwide's policy in relation to the Fairer pay scheme, changing its logo, how the society is operated, receiving marketing email about account switching, overdraft interest charges, its acquisition of another bank, and charges for foreign exchange. Its internal records show that Mr and Mrs H sent at least 73 emails to it in a six-month period related to their complaints. The records also show that on one occasion Mr H had to be warned about his behaviour to Nationwide's staff.

Nationwide has also sent internal records that show it convened a panel of three members of

staff to discuss Mr and Mrs H's conduct, and that they decided it was appropriate and proportional to close their accounts and end its relationship with them.

After carefully weighing this all up, I'm persuaded on balance that Nationwide acted fairly and reasonably, and in line with its terms of account, when deciding to close Mr and Mrs H's accounts for the reasons it has. That means I'm persuaded its fairly and reasonably acted in determining the relationship had broken down to the extent the decision to close was justified.

Other key points:

- Mr and Mrs H say that Nationwide should've given them an extension beyond the three months' it did because Mr H was imminently about to embark on a two-and-a-half-month trip overseas. Nationwide asked to see evidence for it to consider, but Mr H said he had data protection concerns. I haven't seen any evidence to conclude Nationwide should've acted more flexibly than it did
- I've listened to the call that took place on 22 February 2024, and I've done so in its entirety. I'm satisfied that the call handler was professional and courteous throughout – and they didn't threaten Mr H.

I'm also satisfied that the over-riding content of the call in which they say Nationwide has reached the end of its complaints process was fair and there is no further recourse to escalation for Mr and Mrs H to speak to someone else. Nationwide had met its obligation to respond to the complaint and gave Mr and Mrs H referral rights to this service which they subsequently exercised.

- I also note Mr H told the complaint handler they were responsible for an act of corruption, and they needed psychological help as they were on a power trip. Mr H has apologised for some of his behaviour on that call subsequently. I can appreciate that Nationwide's decision to close their accounts would naturally be emotive, but I haven't seen any evidence that the call handler behaved or acted in this manner
- Mr and Mrs H say Nationwide have acted unfairly and in breach of its obligations by punishing them for exercising their right to complain. But for the reasons I've already given above, I'm persuaded that Nationwide's decision was fair and reasonable, and that due consideration had been given when making it

As I'm persuaded Nationwide hasn't acted improperly, I see no basis to award Mr and Mrs H any compensation.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 2 December 2024.

Ketan Nagla  
**Ombudsman**