

The complaint

Mr S complains that Nationwide Building Society ('Nationwide') treated him poorly and closed his accounts.

What happened

Mr S had a basic bank account and a current account with Nationwide.

On 19 February 2024 Mr S visited a Nationwide branch to deposit some money. Some of the money was made up of coins which weren't in a bag. Nationwide told Mr S it didn't usually accept unbagged coins, but it accepted them this time.

Soon after leaving the branch Mr S discovered the money wasn't in his current account. He telephoned Nationwide and discussed the issue, then returned to the branch where the staff transferred the funds into Mr S's other account.

Mr S and Nationwide have different recollections about how these events unfolded. Mr S says Nationwide shouted at him about his coins not being bagged, deliberately counted the coins very slowly and deliberately deposited them into the wrong account. Nationwide said it didn't shout at Mr S but he shouted at Nationwide and made racist and threatening remarks. Mr S said he didn't argue with or abuse the employee who served him on his first visit to the branch – he simply thanked the employee and departed.

Nationwide said that during Mr S's visit to the branch it made an error and it apologised to Mr S. It said Mr S didn't need to return to the branch because he'd already telephoned and that was enough for Nationwide to resolve the issue. But Mr S chose to return to the branch. Mr S told this service that when he returned to the branch he behaved in a childish manner and said things he didn't mean.

Nationwide decided to close Mr S's accounts with 30 days' notice. It said this was because Mr S had made threatening and racist remarks to Nationwide staff. And it said Mr S had tried to justify his racist remarks in emails.

Mr S complained to Nationwide. He said Nationwide's decision was unfair and Nationwide had mischaracterised his comments in the branch. He said he'd been in a hurry to pick up his son, his wife was unwell, and he'd been having problems at work. He said he wasn't racist but Nationwide treated customers differently based on race and he'd known that Nationwide employees of a certain race would treat him poorly. He asked to be able to clear his overdraft and continue banking with Nationwide using a basic bank account only.

Mr S also said he'd had a problem the previous winter trying to credit cash to his account at a branch. He said he hadn't complained about it at the time but he was unhappy about it.

Nationwide said it apologised for the error that occurred in the branch. But apart from that it had followed correct procedure and it wouldn't change its decision about closing his accounts. Nationwide said it had tried to look into Mr S's concern about his visit to the branch the previous winter, but it had no evidence of what had happened so it couldn't

uphold that part of Mr S's complaint. Nationwide staff couldn't recall Mr S's visit to the branch on that occasion due to the time that had passed since then and the volumes of customers they saw on a daily basis.

Mr S referred his complaint to this service. He said a member of Nationwide staff was rude to him in a branch and deposited his cash into the wrong account.

One of our investigators looked into Mr S's complaint. He said he didn't think the complaint could be upheld. And he said the following:

- He'd been given no compelling evidence showing Nationwide deliberately gave Mr S poor service in branch.
- Nationwide was under no obligation to continue offering an account to a customer if it doesn't want to do so. So, while Mr S was unhappy with the Nationwide's decision to close his account, this was a commercial decision Nationwide was entitled to take.
- The terms and conditions of Mr S's flex basic account said Nationwide could close his account without notice if it reasonably considered his conduct towards staff constituted abuse or harassment or a public order offence.
- The Payment Account Regulations 2015 set out when a basic bank account can be closed. They say broadly the same things as Nationwide's terms and conditions.
- Based on everything Mr S and Nationwide had said, the investigator thought Nationwide had grounds to reasonably consider that Mr S's conduct towards branch staff constituted abuse or harassment or a public order offence. And because of this, the investigator couldn't say Nationwide were wrong to close Mr S's account on 25 March 2024.
- The investigator was sorry to hear about Mr S's recent financial, health and housing difficulties. He made some suggestions about where Mr S could go for an account if he was currently without a bank account.

Mr S didn't accept the investigator's view. He said at the time of the events in question he was unwell, he had a dispute with his former employer, and his problems with Nationwide had been the trigger for personal relationship problems which had led to his divorce. He provided evidence in support of these things. And he said a manager at Nationwide had acknowledged that Nationwide had deliberately deposited his money into his flex account. And the comments Nationwide had called racist weren't targeted at any community or race – they were '*a nuanced subjective opinion*' allowed under his right to freedom of expression.

Because no agreement could be reached the matter has come to me to decide.

Before I made my final decision on Mr S's complaint I issued a provisional decision. In it I said I didn't intend to uphold the complaint. I said I'd consider any further submissions from either party before making my final decision. Nationwide said it had nothing to add. Mr S disagreed with my provisional decision. In summary he said Nationwide's version of events was inaccurate. He made various points about what happened from his point of view. Mr S also said the dispute he was having with his employer at the time should be considered a mitigating circumstance. He said he had a dispute with one Nationwide employee only and he wasn't racist or xenophobic.

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.

Having done so, I'm not upholding the complaint. I'll explain why.

In relation to the incident at the branch on 19 February 2024, the evidence isn't strong enough for me to conclude, on the balance of probabilities, that Nationwide was rude or otherwise inappropriate in its behaviour towards Mr S. And I can't say that Nationwide deliberately deposited Mr S's money into the wrong account.

Nationwide has acknowledged it made an error when it deposited Mr S's money into the wrong account. But that error was quickly remedied after Mr S drew it to Nationwide's attention. And Nationwide has apologised for it. I think that's enough in the circumstances.

I'm satisfied Nationwide acted fairly and reasonably when it closed Mr S's accounts. The account closure was in line with the terms and conditions. And it was in line with the Payment Account Regulations 2015 which govern when basic bank accounts may be closed. Under the terms and conditions and the regulations, Nationwide could close Mr S's account without notice if it reasonably considered his conduct towards staff constituted abuse or harassment or a public order offence. In this case Nationwide gave notice to Mr S when it could've closed the account immediately.

Mr S may well have had various mitigating factors which explain his state of mind on the day he visited the branch. I'm very sorry to know he's been suffering in the ways he's described. But Nationwide has discretion to choose who it will do business with. And – even knowing Mr S has suffered a range of difficulties – it was reasonable for Nationwide to decide to end its relationship with Mr S based on its perception of his conduct towards its staff. Having seen Nationwide's records of the event and the emails from Mr S – as well as his own admission about his own behaviour – I don't think Nationwide's perception of Mr S's conduct was unreasonable.

I acknowledge what Mr S has said about his conduct not being argumentative or abusing during his first visit to the branch. But, even accepting that it was only on the second visit that Mr S behaved inappropriately, Nationwide is entitled to take the view it has taken and to decide to close his accounts. I say that having also taken into account Mr S's emails.

I want to stress that my decision here isn't a judgement against Mr S or his character. I understand he says he was having some personal difficulties at the time of the events that are the subject of his complaint. And I'm not making a finding about him personally. But Nationwide was entitled to reach its own conclusions about whether it wanted to provide an account to Mr S. And having considered everything I can't conclude that Nationwide lacked a reasonable basis to make the decision it made.

Nationwide said it couldn't find any evidence of what happened in the previous winter when Mr S said he visited a branch and Nationwide said one of the notes he'd deposited was unacceptable. I accept that useful evidence about this incident is unlikely to be found. And so I don't see there's a realistic prospect of establishing what happened on that day. The nature of the incident Mr S described would rely on witnesses having been present and being able to recall what happened. I'm not aware of anyone who can do that. And so I think Nationwide was right that this element of Mr S's complaint can't be upheld. The available information doesn't allow me to make a finding on the balance of probabilities that Nationwide did anything wrong on the occasion Mr S mentioned from the previous winter.

Again, I am very sorry to know of the troubles Mr S has described experiencing recently. But I can't say those troubles are the result of any failings by Nationwide. So I'm not requiring Nationwide to do anything.

My final decision

For the reasons I've set out above, 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 S to accept or reject my decision before 29 November 2024.

Lucinda Puls
Ombudsman