

The complaint

C complains Nationwide Building Society provided her with a poor level of service on multiple occasions when she was looking to obtain financial support.

What happened

C held a credit card with Nationwide. In October 2023 she contacted Nationwide to discuss her financial situation and to request support with reduced monthly payments.

Nationwide agreed to reduced payments and set up an arrangement; but C's next direct debit was collected at the usual contractual amount. C went on to experience further issues regarding the forbearance Nationwide was offering, as well as the overall level of service it provided, over a number of months.

C made a number of complaints about the level of service she'd received and the impact this had on her health. Nationwide has paid C a total of £520 compensation across the complaints which were all upheld.

Unhappy with Nationwide's level of service C referred her complaint to our service for review. She said the total compensation doesn't fairly reflect the impact that each of Nationwide's individual errors had on her, as well as the cumulative effect of the situation, over many months.

Our Investigator didn't uphold the complaint and C asked for an ombudsman's review. I recently issued a provisional decision where I set out, with reasons, my initial thoughts on this case and what I was intending to decide.

The below is an extract from my provisional decision:

"The information in this case is well known to C and Nationwide, and some of it is sensitive, so I'm not going to repeat it in detail here. In any event Nationwide has acknowledged its errors and paid C a total of £520 compensation. So, what I need to decide is whether Nationwide's redress is reasonable in resolution of this complaint.

C says that the current level of compensation doesn't fairly reflect the impact Nationwide's errors have had on her. In resolution she's looking for more compensation and for Nationwide to change its processes.

Having considered the individual circumstances, I'm currently persuaded to direct Nationwide to take further action to fairly resolve the case. I've set out why below.

Nationwide has accepted it made many errors across many months in relation to agreeing to and setting up payment arrangements for C; and in relation to the level of service it provided. This all stemmed from the initial request in October 2023 for financial support due to a change in C's personal and financial circumstances.

Nationwide has acknowledged C's vulnerabilities in its final response dated March 2024; which I consider means she is someone who would be more impacted by its actions than the average person. But Nationwide was already on notice from as early as October 2023 that C was in a vulnerable position; not only because of the financial position she made Nationwide aware of, but also because of the sensitive health information she shared with it during the calls at that time.

During the calls in October 2023 C was asked to complete an income and expenditure assessment to set up the payment arrangement. C made Nationwide aware that the questions were triggering her condition. She went on to provide details of the condition and gave some information about the situation that had led to it.

It appears Nationwide didn't take any further action with this information when it was initially shared in October 2023; or at least obtained C's consent to record the information to avoid any future distress of potentially having to repeat this sensitive information.

I've listened to calls from February and March 2024 where C needed to repeat this sensitive information, while dealing with further errors that Nationwide had caused with her card. I'm currently persuaded the impact of Nationwide's continual errors, as well as the level of service it was providing C, caused a considerable level of distress and significant inconvenience for her.

This is evidenced within the content of these calls and is acknowledged by the Nationwide representatives. During these calls it's also acknowledged that this information should have been recorded earlier when C made it aware of her circumstances; and that had that happened in October 2023 I consider the tailored support of a specialist team within Nationwide, that it was able to offer in March 2024, could likely have happened much earlier. Had this happened I consider it more likely than not that the further distress and inconvenience C suffered in 2024 would have been avoided.

I consider the increased impact on C is further supported as she felt she had no other option than to borrow money to pay off the outstanding balance in order to end her relationship with Nationwide. And this wasn't a step C could have taken lightly, given her distressed financial circumstances which Nationwide was aware of. So, this further demonstrates the considerable distress and significant inconvenience Nationwide's errors had on her.

I currently consider the initial errors which were compounded with further errors, and the incorrect and misleading information C was provided on a number of occasions, understandably had a cumulative impact on C causing considerable distress and significant inconvenience across a number of months.

I'm therefore currently minded to direct Nationwide to pay C a total of £750 to reflect the impact its errors and level of service had on her. I accept no level of money will be able to undo the suffering and inconvenience that C has been put through. However, I consider this level of compensation fairly takes into account the increased impact of Nationwide's errors and level of service, given C's individual circumstances; and is in line with our published guidance on awards for non-financial loss.

C has referred to Nationwide updating its policies so that other customers don't experience the issues she has. I note that Nationwide's complaint agent confirmed during a call in March 2024 that this was something that would be looked at.

I would set out to C that our service's remit is to deal with complaints on an individual basis. So, I can only consider and comment on the individual situation C has experienced here. However, as Nationwide are aware, Consumer Duty came into force in July 2023 with a

purpose to support existing rules and regulations about delivering good outcomes to retail customers. So, there are some matters here that Nationwide may want to review given its obligations under Consumer Duty.

I've also considered Consumer Duty when thinking about the outcome I'm intending to reach in this case. Having done so I'm currently satisfied that my conclusion would in any event be the same were I considering this case prior to the Consumer Duty coming into place.

I understand C has already received a total of £520 compensation across the complaints she's raised; so, my provisional decision is that Nationwide will need to pay C a further £230."

Nationwide acknowledged my provisional decision and confirmed it had nothing further to add.

C responded and said she still doesn't feel the increased level of compensation fairly reflects the level of impact Nationwide's actions have had on her; and the time it will take for her to rebuild her mental health. She's also said Nationwide were aware of her diagnosis at an earlier point, and feels it should have supported her by referring her to its specialist support team earlier than it did. C has also told us that the ongoing complaint process is affecting her mental health, and she wants to resolve the issue as soon as possible.

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've not been presented with any new information or evidence which leads me to conclude I should depart from the findings reached within my recent provisional decision – I appreciate this will be disappointing to C.

While I acknowledge C says she made Nationwide aware of her diagnosis prior to October 2023, I can't reasonably say it ought to have provided additional support before this. I say this because the earliest events I'm considering as part of this complaint start in October 2023, when C first contacted Nationwide to talk about her updated financial situation. Prior to October 2023 it appears C had successfully entered a payment arrangement with Nationwide.

So, while I acknowledge C says Nationwide were aware of her health diagnosis earlier than October 2023, I don't consider, based on the evidence I have available to me as part of this complaint, the impact of Nationwide not considering supporting her with its specialist team impacted her before October 2023. And this is when I've decided it ought reasonably to have been aware of her individual situation and provided further support in any event.

I've carefully considered C's point about the level of compensation I'm intending to direct Nationwide to pay. I would like to assure C that I do accept, as I set out within my provisional decision, that no amount of money will be able to undo the distress and inconvenience that she has, and clearly continues to, experience because of these issues. But my role here is to decide what I consider to be a reasonable figure based on all of the evidence available to me. And for the reasons set out within my provisional decision, I'm still satisfied that a total of £750 is fair compensation in the individual circumstances of this case.

Putting things right

Based on the details above, which includes those reached within my provisional decision,

I'm satisfied that as fair resolution to this complaint Nationwide Building Society should pay C a further £230, bringing the total value of compensation she has received for the ongoing issues and level of service received to £750.

My final decision

My final decision is that I direct Nationwide Building Society to pay C additional compensation of £230, bringing the total value of compensation she has received to £750.

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

Richard Turner
Ombudsman