

The complaint

G complains that Nationwide Building Society withdrew its facility for him to do his banking through its specialist support team (SST) and further that it has given him notice of closure of his account.

What happened

G switched his account to Nationwide in October 2023. He says that he told Nationwide about his various mental and physical health conditions and also that he is registered disabled and in receipt of a disability living allowance. Nationwide gave him access to its SST so that he could carry out transactions over the telephone. However it later reviewed its position and decided that G no longer met its eligibility criteria. Because he suffers from Alzheimer's G says he has memory problems which necessitate transfers between accounts every day. He isn't computer literate and doesn't feel confident using a banking app.

Nationwide told G that he could use its branch for normal banking activities. It didn't see a problem with this as he lives 2.6 miles from his nearest branch and there are other branches within 5 miles and G has a car. On the other hand G said that he has difficulty walking and can't park near the branch. He is also made aware that he holds up the queue when he is in branch.

On referral to the Financial Ombudsman Service, Nationwide advised that it did not have the facility to provide a dedicated contact for G and that it required medical evidence if he was to be allowed to have access to the SST again. G is reluctant to supply such evidence.

Subsequently by letter dated 15 July 2024, Nationwide advised G that it would be closing his account. It said that since becoming a member of Nationwide on 17 October 2023, G had raised 13 separate complaints, which is extremely high. I understand that G has since successfully switched his account to another provider.

I issued a provisional decision. In it I said that Nationwide should withdraw its notice of closure of G's account, should allow him to contact the SST for support and that it should pay him £300 compensation.

In response Nationwide advised us of the real reason for closing the account, that is G's behaviour towards particularly female members of staff over the telephone.

So I issued a further provisional decision. In the meantime G had switched his account to another provider. So I didn't need to require Nationwide to take any further action in respect of closing G's account. I maintained my view that Nationwide had handled G's case badly in respect of his access to his account. So I said that Nationwide should still pay the £300 compensation.

Nationwide accepted my subsequent provisional findings. G has raised no objection to those findings.

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.

The following is the relevant part of my original provisional findings below, in italics and smaller font:

"I do think that Nationwide has adopted a rigid position here. It insists that it won't allow G access to its SST without medical evidence that he is unable to visit his local branch. But I think that it should be reasonably clear from its many conversations with G that it's unreasonable to expect him to come into his branch to carry out transfers every day. This would be onerous for anyone. If he feels he needs to carry out regular transfers, I don't think it would be fair given his difficulties with memory to expect him to set up regular standing orders as Nationwide has suggested.

Nationwide's website sets out that telephone banking can be used to make internal transfers to accounts held in (the customer's) name (excluding a Nationwide Credit Card). But the problem with this is that to use telephone banking the customer needs to have a passcode, and G has difficulty remembering a number. He has asked if this could be changed to a password but Nationwide has said this is not possible. That is in my view not being flexible and not taking account of G's particular vulnerability.

I think that Nationwide should allow G access to its SST. The advisers on that team are far more likely to have the necessary skills to account for G's needs. Having said that, G will have to accept that he may not be able to speak to an adviser straight away. And that the primary reason for contacting Nationwide would be to carry out his transfers, find out his balances and/or other banking activities. In my view Nationwide should be able to accommodate G's needs without aggressively refusing access to its SST."

And the following were my subsequent provisional findings:

"To recap my provisional findings, and in very simple terms, Nationwide's reason for not allowing G to use its SST any longer, is because it says it's not appropriate for him and that he can visit the branch and/or use ordinary telephone banking.

And the reason for its closure given to G was because of the number of complaints he made, leading to a breakdown in its relationship with him.

But I must address what appears to have been the real reason for Nationwide serving notice of the closure.

Nationwide alleges that G behaved inappropriately in telephone calls particularly towards a female member of staff. Without going into the allegations in detail they are all fairly serious with those alleged comments/behaviour having caused great distress. I think G is aware of this.

It's unfortunate that Nationwide didn't go through its processes at the time and give G an appropriate warning. Although I think it unlikely that he would have complied with any warning.

As G has now switched his account, I don't need to require Nationwide to take any action. Although I do think, in the light of the information now provided, that Nationwide would have been justified in closing the account.

Having said that, I think this matter was handled badly by Nationwide. I don't think that it adequately considered G's problems in getting to a local branch, nor did it consider

alternatives to his having to use a passcode for telephone banking when he had explained that he had difficulty remembering numbers. So I maintain my view that it should pay G compensation."

As neither party has raised any objection to my subsequent provisional findings, I remain persuaded by those findings. Those findings, as set out in this decision, are now final and form part of this final decision.

Putting things right

Nationwide should pay G compensation of £300.

My final decision

I uphold the complaint in part and require Nationwide Building Society to provide the remedy set out under "Putting things right" above.

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

Ray Lawley
Ombudsman