

## The complaint

Mr B has complained Nationwide Building Society allowed a current account, two personal loans and a credit card to be opened in his name without his consent.

## What happened

Mr B applied for a mortgage in 2024 and found that his credit record limited him in doing this. There were numerous credit accounts open in his name which he'd never applied for. On challenge, his father admitted to having opened these.

To ensure his mortgage application could proceed, Mr B contacted all the credit providers to confirm he'd not opened these accounts. This included Nationwide. Mr B's father had opened a current account with them in 2019, followed by taking out a £10,000 personal loan in June 2021, a further £10,000 personal loan in July 2022 and a credit card with a £5,500 credit limit was opened in January 2022. Mr B asked Nationwide to close these.

Nationwide closed the current account "*due to security concerns*" but declined the rest of Mr B's complaint. They believed this was a civil dispute. They also noted that payments had been made from the current account to Mr B's own personal account.

Mr B brought his complaint to the ombudsman service.

Our investigator reviewed the evidence. This included the contact details Nationwide held for all four accounts which belonged to Mr B's father, as well as confirmation from five other credit providers that they'd closed credit accounts on noting that Mr B had been a victim of impersonation. He asked Nationwide to close the remaining accounts and stop asking Mr B to pay anything towards the outstanding debts.

Mr B accepted this outcome. Nationwide didn't. They felt that Mr B's own account held at another bank (B) was the recipient of funds from the Nationwide current account. They believed this meant that Mr B may have known that his father had taken out accounts fraudulently in his son's name but was prepared to put up with this whilst his father was managing those financial commitments.

Mr B's complaint has been referred to an ombudsman.

## 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 reached the same outcome as our investigator. I'll explain why.

Existing consumer credit legislation confirms that a consumer cannot be held liable for credit agreements taken out without their consent. When reviewing claims of impersonation on credit accounts, we also consider whether the person complaining, Mr B in this case, benefitted from the funds being used.

In this complaint I'm satisfied Mr B didn't apply for or manage these accounts. The key pieces of evidence show that the email address and mobile phone number for the Nationwide accounts belonged to Mr B's father. I've also seen correspondence from five other credit providers confirming Mr B was a victim of impersonation which is difficult to ignore.

During the period these accounts were applied for – October 2019 to July 2022 – Mr B both lived at home and elsewhere whilst he was at university and completing his postgraduate course closer to home. I think there were many and easy options for Mr B's father to intercede any post in the accounts opened in Mr B's name. So I don't think it's at all surprising that Mr B's father was able to conduct this detailed subterfuge without letting his son know.

I find it hard to see why Nationwide ignored this evidence. Whilst I appreciate their concerns that Mr B may have benefitted financially, their own evidence doesn't really support this. Whilst there are many payments to Mr B from the Nationwide current account, there are often cash payments into the account to finance those. I suspect some of those cash payments may well have been the proceeds of cash withdrawn from other credit cards as this account – and the numerous credit accounts helping to fund it – was Mr B's father trying to meet his financial commitments.

Mr B told Nationwide that he believed any money he was receiving from his father was meeting his commitment to help fund his student costs. I don't think this would be in the least surprising and I've found no evidence that Mr B was complicit in the frauds being committed by his father.

I'm aware that Nationwide believe this is a civil dispute and they'd require Mr B to refer his father to the police. There's no doubt that Mr B did refer these cases to Action Fraud and provided a crime reference to Nationwide. I think we can all agree that these are the kind of cases where we don't often see the police taking action.

### **Putting things right**

As I'm satisfied that Mr B didn't take out these accounts or benefit from them, I will be asking Nationwide to close the remaining accounts and stop asking Mr B to pay towards the outstanding debts.

Obviously Nationwide has Mr B's father's contact details and can take action against him to recoup their funds if they wish to take that step.

This has had a devastating impact on Mr B. Not only has he found it difficult to find a mortgage at a reasonable rate, he's found out that his father has deceived and impersonated him. I'm not at all surprised this must be very distressing. I've considered whether Nationwide needs to provide compensation. And despite their lack of empathy in their dealings with Mr B, I've decided not to ask them to pay compensation. In the end – and unfortunately – I think this distress is the direct result of actions taken by Mr B's father and I don't think it would be fair to ask Nationwide to compensate Mr B for this.

### **My final decision**

For the reasons given, my final decision is to instruct Nationwide Building Society to:

- Write off the two personal loans and credit card in Mr B's name;
- Stop pursuing Mr B for repayment of any debt associated with these accounts; and
- Remove any reference to those accounts and the current account from Mr B's credit

record.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 March 2025.

Sandra Quinn  
**Ombudsman**