

The complaint

Mrs S complains about Nationwide Building Society (NBS) after she renewed a fixed term ISA account with them. Mrs S is represented by a third party but for ease of reading, I will simply refer to Mrs S.

What happened

In August 2024, Mrs S went to a branch of NBS and renewed a fixed term savings account and as in previous years, expected to receive a certificate of investment; a document which confirmed aspects such as start and end date, balance, and interest rate. However, NBS said they did not supply these anymore, but offered alternatives.

As a result, Mrs S complained to NBS saying the alternatives were not viable, mainly because Mrs S did not use internet banking, and that NBS should bring back certificates. Mrs S explained the importance of the document quoting text on previous certificates which talk about the importance of the certificate and that it should be kept somewhere safe.

NBS investigated the complaint but said they had made no errors. They reiterated the alternatives which were obtaining the information online or on their app, and that a welcome letter is also sent plus a customer can request a statement after a short period after the account is opened. NBS ended their letter by confirming details of the renewed fixed term account, and saying they would pass on Mrs S's feedback about reinstating certificates.

Unhappy with NBS's letter, Mrs S wrote again to them with more information as to the impact but when NBS provided a subsequent response, they said they would not be changing their decision.

Remaining dissatisfied, Mrs S referred her complaint to our service and our investigator looked into it. They said that NBS didn't need to take any action. Our investigator went through what had happened, that alternatives were offered, and that NBS did provide in their letter, the same details as would have been on a certificate. Our investigator also mentioned that our service cannot ask NBS to change its processes i.e. tell NBS to bring back certificates.

Mrs S rejected our investigator's view saying she only received details about the fixed term account as a result of complaining, and that NBS should issue these as a matter of course. Mrs S also highlighted that she had another fixed term account due for renewal and would want the same arrangement for this.

Our investigator reviewed the complaint and issued a second view. In this, they said that NBS did need to do more and it wasn't right that Mrs S had to complain to get the details she required as the branch could have provided them. Accordingly, they recommended that NBS pay Mrs S £50 as compensation. Our investigator also mentioned the other fixed term account saying this would need a letter from NBS once renewed.

Mrs S replied saying she had not received anything regarding the other fixed term account so could not regard the matter as resolved, and that her complaint should go to an

Ombudsman for consideration. NBS replied to say they rejected our investigator's revised view, commenting an award of compensation was not appropriate in view of no error being made. Despite our investigator stating that the compensation was suggested due to Mrs S having to complain, and not for NBS's certificate withdrawal decision, the matter has been passed to me.

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.

I have looked at the information NBS has supplied to see if it has acted within its terms and conditions and to see if it has treated Mrs S fairly.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

I was sorry to learn that what should have been a straightforward account renewal process has turned into a prolonged complaint. Part of my role is to determine whether what took place was reasonable and whether NBS followed the process correctly.

All firms that we deal with are entitled to make business decisions, such as withdrawal of certificates of investment and put in place alternatives. I understand the impact of this decision on Mrs S but as our investigator said, our service can't tell NBS to reverse the decision; although I'm pleased to see NBS have passed on Mrs S's comments as feedback.

One factor that I can't address is what happened in the branch of NBS on the day Mrs S visited. So I can't examine or consider details such as what conversation took place and exactly what was offered to Mrs S once it was established that NBS could not provide a certificate. That said, it's reasonable to believe that Mrs S was not offered any kind of written confirmation, due to the fact that she logged a complaint with NBS soon after the visit.

Therefore, I do agree with our investigator's opinion that from the evidence I've seen, it appears that it was necessary for Mrs S to lodge a formal complaint with NBS in order to get written confirmation of her renewal. And accordingly, I do believe this deserves a small compensatory gesture such as the £50 our investigator suggested. I know that NBS expressed concerns that our service should not be awarding compensation when no error has been established. But I make it clear that the compensation is not connected to NBS's decision to cease offering certificates, but is for the inconvenience and distress of having to raise a complaint for a straightforward written confirmation of an account.

In terms of the other bond about which Mrs S has expressed unhappiness, I note our investigator did make NBS aware that Mrs S would like a written confirmation for this. In view of the circumstances, I would respectfully suggest that NBS provides this; however if Mrs S renews or opens any fixed term accounts in the future and needs written confirmation, I suggest she contacts NBS at that time to discuss her requirements.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require Nationwide Building Society to pay Mrs S £50 compensation for the reason I have given.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 25 February 2025.

Chris Blamires
Ombudsman