

The complaint

Mr W complains that Nationwide Building Society (“NBS”) failed to provide him with information regarding the interest earned on accounts he held with it resulting in an underpayment of income tax.

What happened

Mr W held two savings accounts with NBS that closed in the 2023/2024 tax year. NBS sent out closing statements for these two accounts detailing closing interest in July 2023 and January 2024.

Mr W received correspondence from the HMRC notifying him his tax code had changed to reflect the taxable interest he earned on his savings deposits with NBS.

Mr W complained to NBS about this as he says NBS failed to provide him with all the necessary information needed regarding the interest earned which has resulted in the change in his tax code causing him financial difficulty.

NBS didn’t uphold Mr W’s complaint as it has a duty to inform the HMRC of the interest earned on savings which it did and that anything beyond that is between Mr W and the HMRC. NBS say it provided access to or sent directly all the information Mr W needed to meet his tax obligations with the HMRC through online banking and individual interest summary statements for the accounts he held.

Mr W was dissatisfied with this and so brought his complaint to this service. He says the first time he became aware of any underpayment of tax is when he was contacted by the HMRC. Mr W says this wouldn’t have happened if NBS had provided him for the information on the amount of interest earned on his savings. Mr W thinks NBS should provide a single statement informing him of how much interest he earned across all his accounts which would allow him to inform HMRC if he’d exceeded his personal tax-free allowance for the year and wants to be compensated for the distress and inconvenience caused by not receiving this.

NBS say Mr W could access the information regarding interest earned on his accounts via online banking as well as in the interest summary statements for the accounts he held and confirmed that closing statements for his accounts were sent to the registered address it held for him by post.

One of our investigators looked into Mr W’s concerns but didn’t think NBS had made an error or treated Mr W unfairly as it provided Mr W with all the information needed to get a clear understanding of the interest earned on his account and it wasn’t obligated to do anything further in this regard and that it is Mr W’s responsibility to ensure he meets his tax obligations.

Mr W disagreed, he disputes that NBS sent any correspondence by post prior to raising his complaint and that it was only sent online which he couldn’t access once his accounts were closed and so his complaint was progressed for an ombudsman’s decision.

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.

Mr W is unhappy at the way NBS provides information on the interest earned on his accounts with it and doesn't believe he has been treated fairly under the Consumer Duty. Mr W thinks NBS should provide a single statement informing him of how much interest was earned across all his accounts as this would allow him to inform HMRC if he'd exceeded his personal tax-free allowance for the year.

It might help if I explain here that while I have considered the Consumer Duty and other regulatory principles, my decision is ultimately based on whether I feel that NBS have done anything wrong or acted unfairly to Mr W in his circumstances. And having considered everything carefully, I'm in agreement with our investigator and I don't think there is anything much more of use I can add.

The Consumer Duty sets out requirements for financial institutions to support their consumers to pursue their financial objectives through the provision of clear and timely information and good customer support and I am satisfied NBS have done just that in this instance.

While NBS do have a duty to provide Mr W with access to information regarding any money he holds with it - including information on interest earned on his accounts - and providing that information is easily accessible and clear, there is no stipulation on how or what format that needs to be.

In Mr W's case – while it may not be in the one document format Mr W would prefer - I'm satisfied that he had access to the interest earned on his savings accounts online and through his summary statements where he could see what money he held in his accounts as well as the money being credited and debited from his account – including interest. And while I appreciate following the closure of his accounts Mr W could no longer access this information online, I'm satisfied that information on any closing interest earned was sent through the post in the form of closing statements in a timely manner.

I say this as although NBS have told us that Mr W set his preferences to receive no marketing correspondence online or otherwise that regarding general contact – despite Mr W's accounts being online accounts - that closing statements were sent by post. And having looked at the closing statements I can see that they were issued on the date of closure and are addressed correctly to the same address this service holds for Mr W. And that unless Mr W had registered to go paperless – of which I've seen no evidence of this – then he would receive these by post as this is detailed on the second page of the statements under "Important information about your savings account".

It might well be that Mr W never received these. But that doesn't mean that is down to any fault or error on NBS's behalf. Ultimately, Mr W's financial affairs are his responsibility including paying any tax that is due. If Mr W felt he required any further information on the interest he'd earned on his accounts to ensure he'd met his tax liabilities he was free to contact NBS about this.

Unfortunately, this looks to be a case of Mr W miscalculating how much interest he'd earned which has resulted in a change to his tax code, rather than any error made on NBS's part. And in any case, I'm not persuaded that there has been any financial loss to Mr W as any tax due on interest earned above his personal savings allowance would still need to be paid

whether it be through a change in Mr W's tax code or through the completion of a tax return. And so it follows that I don't uphold this complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr W's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 6 October 2025.

Caroline Davies
Ombudsman