

summary of complaint

Mrs K complains the bank has not taken sufficient action to assist her in her financial difficulties. In particular, she is unhappy with the charges applied to her account and is seeking a refund of the charges, plus interest, to resolve her complaint.

background to complaint

Mrs K contacted Nationwide in June 2011 and informed it she was in financial difficulties. After investigating her circumstances Nationwide concluded that Mrs K's income was sufficient to meet her essential expenditure and provided a refund of £80 as a gesture of goodwill. In July 2011 the society agreed to refund the charges incurred in June 2011 but was not willing to provide further refunds after that date.

As Mrs K was not happy with this she asked this service to investigate. The complaint was considered by one of our adjudicators but he did not recommend the complaint should be upheld. He concluded that Nationwide was not obliged to provide a refund of charges and its belief that Mrs K's income was sufficient was not unreasonable. He also said that the society had not acted incorrectly by not agreeing a repayment plan when Mrs K contacted a debt counselling service. This was because the debt counselling service was not informed of the debt owed to Nationwide by Mrs K.

This view was not accepted and Mrs K requested that an ombudsman consider the complaint. She said it was unfair for charges to be levied as she had a limited income.

my findings

I have considered all the available evidence and arguments from the outset, in order to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusion as the adjudicator, for broadly similar reasons.

When a customer informs Nationwide of financial difficulties the society is expected to investigate with a view to acting in a positive and sympathetic way. This does not mean it is expected to provide an automatic refund of charges, and like the adjudicator I refer to the Office of Fair Trading's unsuccessful attempt to take legal action against a number of banks and a building society in this respect.

A partial refund of charges was provided but the society considered Mrs K had sufficient income to meet her essential expenditure based on the information available to it. This opinion was not an unreasonable one, although I appreciate Mrs K does not agree.

The adjudicator provided the details of the debt counselling service to Mrs K so she could seek assistance with her wider circumstances, as the society's obligations only extended as far as her relationship with it. Mrs K did not – initially at least - inform the debt counselling service about the debt owed to Nationwide, and so no agreement regarding a way forward was reached in that regard. As the debt counselling service was not aware of the debt it did not make contact with the society, and it is not the fault of Nationwide that an agreement was not attempted.

my decision

For the reasons explained above, my final decision is that I do not uphold this complaint.

Roger Yeomans
ombudsman