

The complaint

Mr L complains Nationwide Building Society (“Nationwide”) debited £30 from his account without explanation and wants the transaction refunded. Mr L also complains that Nationwide has decided to close all his accounts despite his vulnerabilities.

Mr L says Nationwide’s actions have caused him substantive distress and inconvenience for which significant compensation should be awarded.

What happened

The details of this complaint are well known by both parties, so I won’t repeat them again here. Instead, I’ll focus on giving my reasons for my decision.

It’s important to note this decision only deals with Mr L’s complaint about the £30 transaction and his accounts with Nationwide being closed. Any complaint points about the transfer of funds and account switching are being dealt with under a separate reference number at this service.

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 decided to uphold this complaint in part.

Account closures

Nationwide is entitled to close an account just as a customer may close an account with it. But before Nationwide closes an account, it must do so in a way, which complies with the terms and conditions of the account.

Nationwide notified Mr L that it had decided to close his accounts in January 2024. This letter highlighted the eleven accounts – ranging from current, savings and ISA accounts – that were being closed. Nationwide explained that it had decided on this course of action due to Mr L’s behaviour – namely that he had swore at its staff members. Nationwide explained that this wasn’t the first time Mr L had acted in this way as it had written to him about this in March 2021 and February 2023.

Nationwide gave Mr L 90 days’ notice of closure and explained what he needed to do to maintain the status for his ISA accounts.

Nationwide has provided me with its internal contact notes and telephone calls with Mr L. Nationwide’s terms of account say it can close an account immediately if its customer has “...been threatening or abusive towards our staff or the staff of any third-party providing services in connection to the account”.

Having carefully considered this information which includes listening to the calls, I’m satisfied Mr L was using abusive and foul language despite warning and protests from the call

handler.

I also note from Nationwide's internal records that it had warned Mr L about this on two previous occasions, and he was made aware that a consequence of doing so again could lead to the closure of his accounts. So, given what I've seen, I'm satisfied Nationwide was entitled to close the accounts in the way that it has done.

Mr L and his case worker have said that he suffers from acute neuro diverse conditions which explain why he acted in the way he did. They add that this should be taken into mitigation and Mr L's accounts should remain open. Nationwide don't have any record of Mr L informing it of such a condition(s) until the accounts were being closed in January 2024.

So I don't think it could have done any more than it did up until that point. I then question why this wasn't explained to Nationwide sooner by either Mr L or his case worker. There is an argument that Nationwide could have made Mr L appoint a representative to communicate with – but given it wasn't told anything about his condition before and as Nationwide gave Mr L 90 days to make alternative banking provisions, I'm persuaded it hasn't done anything wrong here. And I think it's acted fairly and reasonably in the actions it has taken.

Mr L says Nationwide has discriminated against him due to his disability. I can understand why Mr L feels this way. It's not our services role to decide if Nationwide breached the equality act – that can only be decided by a Court. I realise this will disappoint Mr L, but from what I've seen I'm satisfied B acted fairly in closing his accounts due to his abusive behaviour for which it had warned him about on two previous occasions.

Mr L says Nationwide's decision to close his accounts has caused him substantive distress and inconvenience. But given I don't think Nationwide has done anything wrong, I see no basis on which I might make an award against it for these reasons.

£30 debit

Nationwide has explained that the debit it made from Mr L's account for £30 was due to an error it had made. Precisely, that Mr L had deposited a cheque of £10 but Nationwide erroneously credited his account for £40. So the £30 debit was its way of restoring the account to the correct status.

The information Nationwide has sent me about this which includes the account statements supports this. So I think this is likely what happened, and Mr L isn't being charged fees and charges he didn't know about. It is however clear to me that Nationwide caused delay in effectively communicating this to Mr L – especially as it knew this was causing him distress.

At this point Nationwide also knew more about Mr L's condition so the matter no doubt exacerbated his condition and anxiety. For these reasons I agree that £100 is fair compensation for the distress and inconvenience Nationwide's untimeliness and poor communication caused.

My final decision

For the reasons above, I uphold this complaint in part. Nationwide Building Society must now pay Mr L £100 to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 18 June 2024.

Ketan Nagla
Ombudsman