

## **The complaint**

Miss T complains that the charges Nationwide Building Society ("Nationwide") applied to her account were unaffordable and contributed to her financial difficulties. She says she struggled to meet basic necessities and wants a refund of charges on the grounds of financial hardship.

## **What happened**

Miss T held an account with Nationwide with an overdraft which reached its highest limit of £2,200 in January 2022.

Miss T got in contact with Nationwide in June 2021 following receipt of a high overdraft usage letter. At the time Miss T said she was struggling and living off her overdraft and wanted an interest payment refund and wanted to pay by instalments. Nationwide wouldn't provide a refund but said it could look at options to support Miss T with the reduction of her overdraft but that she needed to call back with income and expenditure so it could assess affordability. Miss T didn't call Nationwide back with this information.

Following this Nationwide says it tried calling Miss T and sent her a number of letters regarding the use of her overdraft. Miss T eventually got in touch with Nationwide again on 13 July 2022. Miss T informed Nationwide that she'd been the victim of domestic abuse, had lost her job and other difficult events that had happened in her personal life. Nationwide refunded four months' worth of overdraft charges totalling £200.71 for the period April to July 2022.

Nationwide sent further letters to Miss T asking she get in touch, but she never did until she raised her complaint in November 2022 and provided Nationwide with further information regarding her situation and asked Nationwide for a refund of the past six years' worth of fees and charges. Nationwide said all charges were applied correctly but agreed in line with its policy to refund twelve months of charges totalling £557.41 – this was on top of the £200.71 already refunded.

Nationwide again said it could discuss options of support such as a repayment plan for Miss T's overdraft but that she would need to complete her income and expenditure before this could be done. To further assist Miss T it stopped pending charges of £57.84 which meant overdraft charges wouldn't again be applied until January 2023.

Miss T was dis-satisfied with this and brought her complaint to this service.

One of our adjudicators looked into her concerns and thought that Nationwide should've realised that Miss T was in financial difficulty due to economic abuse and refunded the overdraft charges applied to the account from 7 November 2019.

Nationwide disagreed. It says it didn't know Miss T's ex-partner had access to her account and that although Miss T did utilize her overdraft the credits coming in at times cleared her overdraft and that lots of the transactions on the account it considered were non-essential spending. Nationwide says it wouldn't have been able to tell from the transactions

themselves that it wasn't Miss T spending the money.

So the complaint was passed to an ombudsman for a decision.

I issued my provisional decision on 31 July 2023. In my provisional decision, I explained why I was not proposing to uphold Miss T's complaint. I invited both parties to let me have any further submissions before I reached a final decision. Both parties have confirmed they have received my provisional decision and Nationwide has nothing further to add. Miss T disputes having received some of Nationwide's correspondence and believes the amount of refunds she has received as being inaccurate, but she has hasn't provided any new information either.

### **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.

In my provisional decision I said that:

*"Firstly, to be clear my decision only relates to Miss T's complaint about the charges applied to her account prior to November 2021. This is because I can see that Nationwide has already done what I'd expect it to do had I found it had continued to provide a credit facility that was unsustainable and has refunded all charges from this point until she raised her complaint in November 2022.*

*Indeed, my understanding is that Nationwide has in total refunded 16 months' worth of charges if you take into consideration the duplicate refunds received. And I can also see that Nationwide has informed Miss T of the options available to support her with repaying her overdraft and that before it can do this in an affordable way, Miss T needs to provide it with details of her income and expenditure. This is all in-line with what I would expect – so I don't think Nationwide needs to do anything more here.*

*So this being the case the focus of my decision is on this period from when Miss T had her overdraft approved in October 2020 and whether Nationwide should have done more to assist Miss T and whether it acted fairly and reasonably towards Miss T when it applied any interest, fees and charges to Miss T's account in circumstances where it was aware, or it ought fairly and reasonably to have been aware Miss T was experiencing financial difficulty and was the victim of economic abuse.*

*And I currently don't think that Nationwide did treat Miss T unfairly or unreasonably here though. I say this because Miss T didn't inform Nationwide of the domestic abuse she'd suffered until July 2022 and having looked at Miss T's statements I haven't seen enough to suggest that Nationwide ought to have realised she might have been experiencing financial difficulty or that the transactions on her account were made by someone else.*

*Miss T may argue her regular use of her overdraft was in itself an indication that she was struggling. But while I'm not seeking to make retrospective value judgements over Miss T's expenditure, nonetheless there is spending on what I would consider discretionary, non-essential items such as fast food and leisure activities. I can also see regular cash withdrawals and transfers to other accounts all of which were depleting her account and there doesn't appear to be any obvious signs that it wasn't Miss T making the transactions.*

*There were regular credits and cash transfers into the account and Miss T was able to bring the overdraft down and for some months for the period in question saw a credit balance before once again going on to use her overdraft to make debit card transactions, further*

*money transfers and cash withdrawals. I accept this doesn't necessarily mean that Mrs T wasn't experiencing financial difficulty or domestic abuse. But there isn't anything in these transactions in themselves which ought to have alerted Nationwide to this.*

*So, in these circumstances, I don't think that it was unreasonable for Nationwide to proceed with adding the interest, fees and charges it did in light of how Miss T's account was being used leading up to November 2021.*

*I see that Miss T did contact Nationwide in June 2021 regarding her overdraft and that she wanted a refund of overdraft interest and wished to pay back her overdraft by instalments. But Nationwide did what I'd expect it to do here – it outlined some options for Miss T and asked her to call back with her income and expenditure so it could assess what was affordable for her. But despite Nationwide's efforts in trying to contact her, Miss T didn't get in touch until a year later. I accept Miss T has been through an awful lot in terms of her domestic situation and I sympathise with her, but Nationwide wasn't aware of the situation so I can't say it did anything wrong or treated her unfairly based on the information it had.*

*So taking everything into consideration I don't think Nationwide treated Miss T unfairly or unreasonably during the period in question. And when Miss T did get in touch with Nationwide, I think the steps it took to help her were fair and reasonable in the circumstances and in-line with what I'd expect."*

I appreciate that Miss T can not recall all of the contact she had with Nationwide over the years and accept due to her very difficult circumstances Miss T may well not have received all Nationwide's letters. However, from the information I've seen I'm satisfied that the contact between Nationwide and Miss T outlined in the background did happen. I also appreciate that Miss T's circumstances made it difficult for her to keep Nationwide updated. But even so, on the information Nationwide had available to it, I don't agree that it treated Miss T unfairly.

And as neither party has provided any further evidence or arguments for consideration, I see no reason to depart from the conclusions set out in my provisional decision. It follows that I do not uphold this complaint.

**My final decision**

For the reasons I've explained, I do not uphold Miss T's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 2 October 2023.

Caroline Davies  
**Ombudsman**