

The complaint

Ms H complains that Nationwide Building Society (Nationwide) has not followed its code of practice in dealings with her as a vulnerable customer. She is unhappy with the language used by a member of Nationwide's staff who wanted her to go through a statement again and the delay in reaching an arrangement about the debt on her account.

What happened

Ms H had a bank account with her ex-husband. She said that as a consequence of the abuse she suffered she was left with numerous debts. Ms H said her ex-husband would buy her things to make up for an affair, but this left debts on the account.

She said of her creditors, only Nationwide declined to write off debt left by her ex-husband and hasn't taken her situation or evidence seriously. Amongst other things, she said this has affected her credit score. Ms H said Nationwide had said it didn't have a department dealing with domestic abuse. And she thought the language used by a member of its staff about an abusive relationship had brought back her medical condition. She said Nationwide is forcing her to go over documents and statements she provided from when the account was opened.

When Ms H raised her situation with Nationwide, she said Nationwide told her it was willing to reimburse her the money. She said Nationwide has given her £300 compensation in response to her complaint. She would like Nationwide to consider all of her evidence and write off the debt, close the account and if possible, amend her credit file.

In its response to Ms H's complaint Nationwide apologised for not having established a single point of contact for Ms H as requested or for arranging a call as promised. It said a call had taken place on 21 February 2023, but this was months after Ms H's request. Nationwide paid Ms H £300 compensation in recognition of its poor customer service.

Nationwide said it had reviewed all of the transactions Ms H had highlighted and refunded some of the disputed transactions, but not all, as she had confirmed some of these were genuine. It said with Ms H's consent, it had arranged for her to visit her local branch on 13 March 2023 to go through the transaction history, but it hadn't heard from her since then.

Ms H was dissatisfied with Nationwide's response and referred her complaint to our service. Our investigator recommended that the complaint be upheld. She said Nationwide hadn't acted fairly due to the delay in reaching a conclusion.

She said Ms H complained to Nationwide in 2022, having raised in 2018 the financial abuse and coercive control by her ex-husband and wanted transactions to be reimbursed. But Nationwide wouldn't refund transactions without more information that were transfers to Ms H's children or rent and retail payments. One of our investigators considered the complaint in May 2022 and said Nationwide needed to know which payments were definitely not made by Ms H and which payments she made under pressure from her ex-husband.

The present investigator understood why Nationwide needed this further information as these were payments that Ms H and her children would have had some benefit from and in some cases, it wasn't clear who made the transaction. She didn't think Nationwide acted unfairly in needing to ask for information although she recognised the anxiety and trauma for Ms H and suggested this might work if she had a representative to speak to Nationwide.

Ms H accepted our investigator's outcome for her complaint in May 2022 and agreed to help Nationwide find a resolution. Our investigator contacted Nationwide to make arrangements and chased this up in October 2022. In February 2023 Ms H complained to Nationwide that it had not contacted her to discuss the transactions. This led to Nationwide's offer of £300 compensation (as above). Following a second review by senior managers in October 2023, Nationwide advised that it wouldn't refund the payments as it still wasn't able to ascertain that the transactions had been completed solely for the benefit of Ms H's ex-husband.

Ms H was upset by this outcome and felt that Nationwide had wasted her time and that it was never going to consider a refund. She provided an impact statement and explained her circumstances. She said Nationwide's questioning has been insensitive and lacking empathy. Our investigator asked Nationwide to consider writing off the debt and it agreed to a total refund of £4,646.86 as a gesture of goodwill, which she said was fair.

In view of the added stress of continually having to explain her circumstances and medical condition from May 2022, the investigator didn't think Nationwide had treated Ms H fairly. She recommended Nationwide pay a total of £600 compensation to Ms H. She said she couldn't award compensation for Nationwide not agreeing to refund the transactions as its reasons are fair and it wrote off the debt which is reasonable in all the circumstances.

Nationwide agreed with the investigator's outcome, but Ms H did not and requested an ombudsman review her complaint. She said the compensation is not enough and is frustrated that this has lasted six years - not just from February 2023. She said she had to chase Nationwide to get a response, which showed it didn't care about her mental health or experience. She described Nationwide's behaviour as controlling and coercive and didn't think it will learn not to dismiss survivors of economic abuse.

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.

Ms H referred her previous complaint about Nationwide to our service and our investigator sent her outcome in May 2022, which Ms H accepted. Consequently, it is not open to me to review the events complained about up until May 2022. I have considered Ms H's complaint since then and have looked at Nationwide's actions (and inactions) and its communications to see if treated Ms H unfairly and to consider what the appropriate redress should be in all of the circumstances. The present complaint is also separate to Ms H's complaint to Nationwide, via a claims management company, for a refund of her bank charges.

As explained by the previous investigator in May 2022, and the present investigator last month it isn't fair for our service to tell Nationwide to refund payments where we can't show they were solely for her ex-husband's benefit. I can see that Nationwide reviewed the transactions with Ms H's assistance and I was sorry to learn that this triggered a return of her previous trauma. However, I agree with the investigator this was necessary as Nationwide needed this further information to identify payments that Ms H and her children would have had some benefit from and those where it wasn't clear who made the transaction.

I have considered Nationwide's reasons for not agreeing to refund the transactions in question and I think these are related to its concerns about identification and beneficiaries set out above and are fair. It follows that I don't award compensation for Nationwide not agreeing to refund the transactions.

Notwithstanding the transactions, Nationwide has now agreed to write off Ms H's accounts debts to the tune of £4,646.86. Nationwide's write off represents all the debt on two current accounts and Ms H's credit card. I think this represents a very fair response to Ms H's circumstances and complaint and I don't think it would be fair or necessary to require Nationwide to do anything further concerning Ms H's accounts.

I have considered the customer service provided by Nationwide and in particular the delays and lack of assistance it provided to Ms H. Ms H was willing to discuss her circumstances, despite the distress this would cause, but Nationwide only made contact in February 2023, once she wrote to Nationwide's CEO expressing her concerns. This represents a delay of nine months from when our investigator tried to make contact arrangement between the parties.

Nationwide provides an outline of financial abuse advice on its website and Ms H's circumstances fall within the descriptions given. However, it's clear that Nationwide's actions fell short on the reasonable level of care and assistance it should provide in line with its policy and in Ms H's circumstances. The one-to-one support recommended by our investigator and required to help Ms H simply didn't materialise. However, I haven't seen any evidence to show that Nationwide's questioning of the transactions has been insensitive and lacking empathy towards Ms H. However, I can well understand it would cause her the flashbacks she described, and I've considered the evidence she has provided about the financial abuse and the ongoing impact that this has had on her mental health.

Ms H said Nationwide's conduct has echoes of her ex-husband's conduct in its requirement to go through her bank statements to identify transactions made as a consequence of economic abuse, only to be told this wasn't evidence.

I have set out above the mistakes and poor service that Nationwide has provided but I don't agree with Ms H that it has continued the coercive behaviour that her ex-husband exercised upon her. And I don't understand Ms H's point that the investigator's proposed resolution to her complaint just allows Nationwide to get away with it. Nationwide has written off her debt at the investigator's invitation, and if Ms H accepts this decision Nationwide will need to pay her a total of £600 compensation.

It is worth noting that we do not award compensation as a means of penalising a business or to ensure that it learns from the experience, as Ms H has said it should. But we do expect a business to take note of our findings and learn from complaints in the service it provides.

Nationwide apologised to Ms H for the delay and paid her £300 compensation. Ms H is a vulnerable consumer and the delay in considering a resolution to her financial situation has impacted her mental health and the assistance she has sought with this. I agree with the investigator that Nationwide's poor service and delays should be reflected in compensation totaling £600 as a fair and reasonable way to put right the effects of its poor service.

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 Ms H further compensation of £300, bringing a total compensation of £600 in respect of the distress and inconvenience she has been caused since May 2022.

Nationwide Building Society should notify the debt repayment plan that the debt has now been written off and confirm this in writing with Ms H when this has been completed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 8 January 2024.

Andrew Fraser
Ombudsman