

The complaint

Miss A's complaint relates to how Nationwide Building Society handled a cheque that was returned unpaid. She says the service it provided was woefully poor and was responsible for her suffering unnecessary distress and inconvenience.

What happened

Miss A closed an account she held with another bank. I shall refer to that bank as H. She collected a cheque for the closing balance, in excess of £207,000 and took this into a Nationwide branch on 20 September 2023, where she opened two new accounts and deposited the cheque.

Miss A received a letter from Nationwide, telling her that her cheque hadn't been paid and she should contact H to get a replacement or alternative payment. Miss A says the letter was dated for much earlier and with no explanation.

Miss A called H who told her to go back to Nationwide and ask it to represent the cheque, as it had been in touch to request the same. However, when Miss A spoke with Nationwide, it didn't have any record of H contacting it. Miss A says that she was growing increasingly anxious about her money. After being on the phone for significant time a staff member said they'd contact her.

Miss A explained she was extremely distressed, not sleeping or eating and both banks should be communicating with one another to get this issue resolved for her – because these were her life savings. The member of staff agreed to update Miss A but didn't.

Miss A contacted Nationwide again. She also approached us and left work early to get to her branch. No manager was available but she was told that the problem was with H. Miss A said she couldn't understand why Nationwide hadn't contacted her immediately when the cheque hadn't been paid. Her account with H had been closed so she was set adrift, and no one had telephoned her back despite an assurance. She'd added that she'd already spent a number of hours dealing with this, calling the building society and emailing and visiting her branch. She said this was affecting her mental health.

Miss A escalated her complaint to the CEO on 7 October. Their office got in touch with Miss A and liaised with H. The funds were located with H on 11 October and received by Nationwide on 16 October. It also issued a response to the complaint. In summary it said:

- H hadn't paid the cheque. There was no Nationwide error.
- It had notified Miss A the cheque hadn't been paid and to approach H.
- There was no evidence it had been asked to represent the cheque, in any event, it is not something it could have done.
- The funds had now been located, claimed from H and paid into her Nationwide account and backdated to 20 September to ensure no interest would be lost.

- It accepted there had been an element of poor customer service in failing to call. To say sorry for this it had paid £200 into her account.

Miss A didn't accept the payment and was upset Nationwide had paid it into her account without her permission and acceptance. She asked us to look into things, stressing it was Nationwide's handling of the matter once the cheque had been returned that had caused her significant and avoidable distress and inconvenience. She didn't think £200 covered the difficulties caused and the effect on her mental health. She believed Nationwide could have resolved this issue on the day the cheque was returned if it had contacted her by phone.

One of our investigators took a look into what had happened but they didn't think Nationwide needed to do anymore. They considered the only issue was poor customer service in failing to call Miss A back but beyond that they wouldn't have expected Nationwide to have done more in this situation. In the circumstances, they considered £200 fair.

Miss A didn't agree, she said she wanted her complaint passed to an ombudsman. So, it's come to me.

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.

Miss A has in her submissions made a number of detailed points, which I have read and considered. I hope the fact that I do not respond in a similar manner here will not be taken as a discourtesy; as an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to concentrate on the crux of the issue.

I have noted Miss A would like us to get more information from Nationwide about the contact she had to determine her complaint but having looked at everything, I don't consider it necessary. Because, I believe I have enough information to decide this case based on what I do have. I'll explain more below.

I appreciate Miss A was worried about her funds because these were her life savings. However, I must explain the cheque wasn't paid because of something Nationwide did and neither did it have her money.

In these circumstances, Nationwide did exactly as I'd expect, which was to inform her that payment hadn't been received and to contact the organisation that had issued the cheque. I'm satisfied the letter Nationwide sent made both these things clear and also explained the cheque couldn't be paid in again. So, when Miss A contacted Nationwide about representment, this wasn't an option she could have availed herself of. And I think this was reasonably clear from the correspondence, meaning many of the approaches to Nationwide could have been avoided.

Miss A is concerned that the letter didn't get to her straight away and I believe her. But also, I've no reason to think Nationwide didn't send it on the day it was dated or that it would be reasonable to hold it responsible for any delays in the postal system. There's also no requirement for a telephone call to have been made. A letter is an accepted method of communication, particularly given a copy of the cheque needed to be attached.

Miss A escalated her concerns to the CEOs office, which with its helps resulted in it locating the money. I recognise Miss A would have liked her funds to have been found sooner. She's described spending significant time on phone calls, emails and branch visits, as well as the

impact on her health. But there is very little more I would have expected it to have done, having referred her back to the drawing bank at the outset and while I make no finding of fact about H, I have observed she has been compensated for its involvement.

Thinking about everything and how Nationwide handled matters, I consider it assisted with resolving the problem. Most of Miss A's stress was as a result of the overall situation with the cheque, but as I have said, Nationwide didn't have her money and signposted she contact her bank.

There were of course some shortcomings in the service that was provided, for example, in not calling back and time spent on hold. But the £200 already paid and arrangements with the interest is in my opinion more than fair and reasonable, so it follows that I'm not going to require any further action to be taken.

My final decision

My final decision is that I'm not going to require Nationwide Building Society to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 8 February 2024.

Sarita Taylor
Ombudsman