

The complaint

Mr S complains that Nationwide Building Society cancelled his debit card without notice and then told him to visit a branch to collect a new card which it isn't possible for him to do.

What happened

In July 2022, Mr S says that his online shopping order was cancelled, and he discovered his debit card wasn't working. He said his card had been cancelled even though it wasn't due to expire for another two years, and when he called Nationwide the adviser didn't tell him why this had happened. Mr S says he was told his new card, that had been sent to him by post, had been stopped and he now needed to visit a branch. Mr S explained that this wasn't possible due to his disability. He says the call went back and forth and the adviser hung up.

Nationwide didn't uphold Mr S's complaint. It explained that Mr S's account automatically changed to a new account when he turned 23 and this meant a new card was issued. It said that because Mr S had moved and not updated his address when he contacted it in July 2022, he didn't pass its validation questions which was why he was asked to visit a branch. It said that it had notes on its account from 2019 that Mr S had been in hospital, but it wasn't aware of any ongoing medical issues.

Mr S wasn't satisfied with Nationwide's response. He said that he was without access to his money for nine months as he didn't have a working bank card. He said he had to borrow money and was unable to pay for certain necessities. He says he had to postpone payments causing him embarrassment. He says he wasn't given a solution when he explained that due to his disability he couldn't travel to a branch and that Nationwide didn't answer his complaints. He referred his complaint to this service.

Our investigator didn't think that Nationwide had done anything wrong regarding the re-issuing of Mr S's new card. But she thought that Nationwide should have corresponded with Mr S around the time of the re-issue and that the card should have been sent to his address. Because of this she recommended Nationwide pay Mr S £50 compensation.

Nationwide accepted our investigator's recommendation of £50 compensation. It explained that it wouldn't be able to send a replacement card to Mr S's address until he had been validated by security and his details updated with the correct address.

Mr S didn't agree with our investigator's view as he didn't think the compensation recommended was sufficient given the damage that had been caused. This complaint has been passed to me, an ombudsman, to issue a decision.

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.

I can appreciate how being without a card for his account was particularly inconvenient for Mr S. He has explained that following a serious accident he has been left disabled and is

housebound. Given this he is reliant on online shopping and needs his debit card to do this. But for me to uphold this complaint I would need to be satisfied that Nationwide had done something wrong or treated Mr S unfairly based on the information it had or what it ought reasonably to have been aware of at the time.

Mr S had a bank account with Nationwide. Under its terms and conditions that account changed to another account type when Mr S turned 23. This happened in June 2022 and at this point his existing debit card was stopped and a replacement sent. As this is set out in the account terms and conditions, I cannot say that Nationwide did anything wrong by changing Mr S's existing account (which was designed for young people) to an adult account.

As the account had changed a new card needed to be issued and this was also sent to the address held on file. As these actions were in line with the account terms, I cannot find that Nationwide did anything wrong at this point.

This issue has arisen because Mr S hadn't updated his address with Nationwide. Therefore, he didn't receive the new card. The new card was then stopped because Nationwide received notification that it hadn't been received. So, when Mr S's card on his previous account ceased to be operational, he was left without a card to use. I can see this will have been worrying for Mr S but Nationwide had followed a reasonable process by sending the new card to Mr S's address on file. It was because Mr S hadn't updated his address that the issue arose.

When Mr S called Nationwide in July 2022, he failed security because of his address not being up to date and he was asked to visit a branch. Nationwide has said it didn't have any notes on Mr S's account about any ongoing health issues. Therefore, while clearly visiting a branch isn't an option for Mr S, as Nationwide wasn't aware of that at the time, I can't say it was wrong to suggest this initially when Mr S didn't pass security.

Mr S wrote to Nationwide explaining his circumstances and the cause for his complaint on 7 July 2022. He then re-sent his letters on several occasions after. Unfortunately, as the address Mr S was using didn't match his address on file, and there was no email address recorded in his account details a final response letter couldn't be sent. There was a mobile phone number listed but I note Mr S's letters asked for a response in writing. While I do not find I can say that Nationwide did anything wrong by not sending the final response or new debit card to the address Mr S was using as this hadn't been updated or validated, I think it could have done more to assist Mr S at this time. It could have tried to call him or sent a letter to the address he was using asking for him to get in touch. It appears a letter saying this was sent in October 2022.

Given this I think it reasonable that Mr S is paid compensation. I note that Mr S doesn't think £50 is sufficient given the damage he has been caused. But I have to take into account that Nationwide isn't able to send him a card to his new address until the validation process has happened.

I can see that Mr S has provided a list of his recent addresses, but Nationwide has said that it needs to take Mr S through a validation process and then update his address with the correct details. I do not find this unreasonable. Once this has happened it will send a replacement card to the correct address. Mr S should contact Nationwide for this to happen and Nationwide should work with him to assist in this process being successfully completed.

Putting things right

Nationwide should send Mr S a replacement card to his correct address once the validation

process has been completed and Mr S's address updated with the correct details. It should also, as it has agreed, pay him £50 compensation for the upset he has been caused.

My final decision

My final decision is that Nationwide Building Society should take the actions set out above in resolution of his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 23 October 2023.

Jane Archer
Ombudsman