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Nationwide is axeing the annual statement! In latest bid to drive savers online, building society scraps the letter so many rely on to track their nest egg

By [FIONA PARKER FOR THE DAILY MAIL](#)

PUBLISHED: 23:17, 25 September 2018 | **UPDATED:** 09:38, 26 September 2018



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Nationwide has scrapped a vital statement sent by post to millions of savers each year.

The annual paper statement informs customers of their balance, rate and how much interest they have earned over the past 12 months.

It also includes a summary of any new deals that may pay a better interest rate.

But Britain's biggest building society has written to nearly seven million savers to

inform them that if they hold a variable rate account, they will no longer be sent this annual letter.



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Customers should instead check their balance online, via its mobile app or visit their branch, Nationwide said.

Or they could sign up for 'SavingsWatch' email alerts to get an annual summary and details of other deals from next year, it added.

Experts have accused Nationwide of abandoning elderly savers who do not use the internet and rely on these letters to get the best deal.

Many are already missing out on the very top rates because they are typically reserved for online customers.

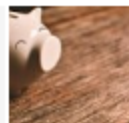
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Baroness Ros Altmann, former pensions minister and champion for older workers, says: 'This is going to penalise older and disabled people the most.'

'These annual statements can be indispensable to some people. Many want to check how their savings are doing, even if they do not want to switch.'

'There is an older generation who will never be able to use computers and there are people who are not well enough to visit a branch.'

She adds: 'If Nationwide were to write to each of their customers and ask them to opt in or opt out, that would be different.'

The move comes just two months after the building society faced a backlash over plans to scale back its telephone banking service for thousands of customers.

At the time customers said they felt Nationwide was trying to force them to use internet or mobile banking instead.

With savings rate at a record low, it has never been more important to keep a close eye on how much interest your nest egg is earning.

A spokesman for Nationwide told Money Mail that just 15 per cent of savers who received its savings statements had said they 'did something' with it or used it to 'review their options'.

Yet this means that there are still around one million customers that find it useful or act on it.

The statements, which were launched in August 2011, were posted to all savers, on both fixed and variable deals with more than £100 in their account.

In a letter sent to customers Nationwide said: 'We first introduced this annual Savings Statement because we're passionate about helping our members make the most of their savings — and this will never change'



...this will never change.

'However, as this statement is one of the largest mailings we send out (around 20 million pieces of paper), we felt it was important to understand how our members value it.

'What we learned is that many members find the other services we offer more valuable when it comes to keeping track of their savings and making timely savings choices.

'Plus, together, we'll be doing a little more good in our communities by reducing our paper footprint.'

Customers with fixed-rate accounts will continue to receive the statements until the end of their deal. Those who receive other savings statements, such as customers with a cash card, will also still get these as normal.

Nationwide said that if customers were not happy with the change, they could close their account without losing any interest.

In a letter sent to one customer who complained about the service being axed, Nationwide said each statement costs the building society 31p. It means that they could save as much as £2 million a year by scrapping them.

And as Nationwide is a mutual organisation, this would be good news for its members.

But Janet Braine, 60, who has been a Nationwide customer for more than 20 years, says sending a statement once a year is surely the least the building society can do for its customers.

The mother of two, who lives with her husband Andrew, 61, in Tiverton, Devon, says the annual paper statement was the only account update she receives.

Now she will have to visit her branch with her passbook to find out her balance and how much interest she has earned.

She says she doesn't want to sign up for internet banking or an email service as



The move comes two months after Nationwide faced a backlash over plans to scale back its telephone banking service

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she is worried about fraud.

The retired accounts worker says: 'It might cost money, but I file mine away and I find them useful to keep hold of.'

Janet says she was particularly upset by the final paragraph of the letter where it said that if customers are not happy with the change they could close their account. 'It was just like they were saying: 'If you don't like it, leave',' she says.

Financial companies are increasingly pushing customers towards managing their accounts online because it saves them money. Many firms, such as energy and broadband providers, now charge a fee to receive paper bills and statements.

Caroline Abrahams, charity director at Age UK, says: 'All financial companies need take into account the needs of people who can't easily pop into the branch, go online or make a phone call.'

A spokesman for Nationwide says: 'We are seeking to adopt a more targeted approach to encourage members to switch accounts, which we think will drive greater benefit to members.

'Members can continue to access the same information about their accounts via traditional routes including in branch and online.

'We would also encourage our members who haven't done so already to sign up to our SavingsWatch service where they will receive a text or email every time their rate changes as well as receiving emails on new product launches that may offer them a better deal.'

He adds: 'This service does not require members to bank online.'

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