

The complaint

Mr P complains that Nationwide Building Society blocked access to his account, and would not unblock or close the account until he provided proof of his identity, even though he had already provided it recently.

What happened

In June 2019, Mr P opened a new account with Nationwide. He did this online, but as he was a new customer, Nationwide asked him to come to a local branch with some identification. He did this, but less than a month later Nationwide blocked his account and asked him to provide some ID again (either in person or by email). He lost confidence in Nationwide, and asked to close his account, but Nationwide couldn't close the account while it was blocked.

Mr P complained, and Nationwide refunded his monthly account fee. But it did not agree that it had done anything wrong. It said a third party had logged a CIFAS marker indicating that Mr P had been a victim of account takeover fraud, and so it had had to ask for ID again as a security measure.

Mr P did not accept that explanation. He said he had already provided his ID, and so Nationwide should just use that. He didn't accept Nationwide's explanation that it was a different department asking for the ID. He brought this complaint to our Service, and argued that Nationwide's different departments should just share information with each other.

Nationwide said that when Mr P had opened his account, Nationwide had not kept a record of the ID he had provided at the time. Nationwide initially said that his ID had been scanned and then destroyed, but later said that that was incorrect, and that no record of the ID had been kept at all. It couldn't unblock or close the account until it verified that Mr P was who he said he was.

Meanwhile, Mr P persuaded the third party to remove the CIFAS marker. He said that now the cause of the problem was gone, Nationwide could lift the block.

Our investigator did not uphold this complaint. She said that Nationwide had been entitled to take steps to protect Mr P's account. Mr P asked for an ombudsman's 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 don't think it makes any difference that the CIFAS marker has been removed. Nationwide is entitled to take its own view about how much risk there is that its customer's account may have been compromised, or susceptible to compromise. It has a duty to protect its customers from fraud. So I would be reluctant to issue any decision which undermines Nationwide's security measures.

I do understand Mr P's frustration that he was asked to provide proof of identity so soon after already providing it. But it would be even more inconvenient if someone stole all the money

in his account. Also, he didn't have to attend a branch the second time, as Nationwide told him he could send it online, so that does not seem to me to be particularly onerous.

My final decision

So my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 30 July 2020.

Richard Wood

Ombudsman