

## **The complaint**

Mr H complains about the information Nationwide Building Society asked for before opening an ISA.

## **What happened**

In November 2023, Mr H visited a Nationwide branch to open a Fixed Rate ISA. While he was applying, he was asked about his income. Mr H felt this line of questioning was unnecessary and intrusive so he refused to provide it. He was told that he had to provide this information as a part of Nationwide's regulatory requirements. Mr H refused and left the branch without opening the ISA.

Mr H complained to Nationwide which responded to say that it hadn't done anything wrong. It restated that it asked for this information as a part of its 'Customer Due Diligence' process which is a part of its obligations under anti-money laundering regulations.

Mr H remained unhappy with this and brought his complaint to this service where one of our investigators looked into it. They didn't think Nationwide had acted unfairly. They said that the questions asked were a legitimate part of its application process and weren't an unfair barrier for a customer.

Mr H disagreed saying (in summary) that Nationwide's approach deterred older, vulnerable and sensitive people from benefitting from better rates of interest and that Nationwide had not provided a reasonable explanation for why it would need sensitive information that it couldn't verify or potentially keep secure. So the complaint was passed to an ombudsman to decide.

## **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 see why Mr H is unhappy here. He was surprised by Nationwide's questions and doesn't feel that they are necessary. I've considered all of his points and while I can appreciate his perspective, I have to be impartial and consider Nationwide's side of the dispute too.

Mr H thinks it's unnecessary and onerous to have to provide details of his income in order to open the account here. Nationwide has explained that it needs this information as part of its process. Having looked at what Nationwide has said about this application process – asking a customer about their income is indeed a part of this, even for long standing customers like Mr H. Nationwide is entitled to decide what information it requires before opening an account – just as its entitled to decide what it feels is necessary to comply with obligations like its due diligence requirements and anti-money laundering rules.

So it's clear that Nationwide has acted correctly and in line with its procedure – but I've then gone on to consider whether it's acted fairly and reasonably in all the circumstances of this

particular complaint. In my view – it has. I say this because Nationwide has provided this service with further information about the reasons it asks for income information and how it treats this. This information is sensitive to Nationwide in full and so I can't disclose this to Mr H, but I have considered what it says and find it a reasonable explanation of why it required this information here.

Mr H has said that it doesn't need to ask for income information because it can't be verified and because it might not be able to keep it secure. What I can share with Mr H is that Nationwide doesn't necessarily ask for this information with the intention of needing to verify it – instead it is to record it to help it meet the obligations I've mentioned above. I appreciate Mr H's concerns around Nationwide potentially not being able to keep this information secure, but it has an obligation to treat all sensitive customer information carefully and securely, which would also apply here. So if Mr H had provided it, Nationwide would have had to treat the information in this way.

So while I see that Mr H is unhappy that he was asked for the information about his income here – I'm satisfied Nationwide acted fairly and reasonably in asking him to provide this.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 May 2024.

James Staples  
**Ombudsman**