

## **The complaint**

Miss H complains that Nationwide Building Society blocked and closed her accounts with it and then delayed releasing funds to her.

## **What happened**

Miss A held a current account and an ISA with Nationwide.

On 1 December 2023 Nationwide asked Miss H to complete a form which would provide it with information it said it needed about her current account. It sought general information about the use to which the account was put and the source of funds, as well as more specific information about some payments into and from the account. Its covering letter said that the information should be provided by no later than 11 December 2023 and that, if it was not provided, the account would be closed.

On 4 December 2023 Nationwide sent a chaser to Miss H. That letter included a notification that Miss H's accounts had been frozen.

Miss H responded to the request for information, but her accounts remained blocked. She tried to find out when the blocks would be lifted and her funds – totalling a little under £150 – would be returned, but Nationwide would not provide any more information. On 8 May 2024 it said that the accounts would be closed with immediate effect. The funds in them were returned to Miss H.

Miss H complained about what had happened and that she had not been able to access her money for around six months. She referred the matter to this service, where one of our investigators considered what had happened. The investigator did not however recommend that the complaint be upheld. She issued a preliminary assessment in which she concluded that Nationwide had acted fairly.

Miss H did not accept the assessment and asked that an ombudsman review the case.

## **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.

Nationwide has asked that much of the evidence and arguments which it has submitted be kept confidential and not be disclosed to Miss H. This service can accept evidence in confidence where it considers it appropriate to do so (DISP3.5.9(2)R). Having considered carefully the nature of the evidence in this case, I am satisfied that it is appropriate to agree with Nationwide's request that some of it be kept confidential.

It is generally for banks and building societies to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that

Nationwide's decision to block and then to close Miss H's accounts was a legitimate one. Nationwide did not have to tell Miss H exactly why it had decided to close her accounts.

Banks and building societies should however give reasonable notice before closing an account. What is reasonable depends on the circumstances, but we generally take the view that two months' notice is reasonable for a personal account – and that is reflected in the account terms here. There may however be circumstances where a different notice period is reasonable; again, the account terms reflect that. That period may be less or more than two months, and in some cases immediate closure may be appropriate. In this case, I agree with the investigator that it was reasonable of the bank to close Miss H's accounts with immediate effect.

Nationwide has also explained why it took several months to release funds to Miss H. In the circumstances which it has explained, I am satisfied that there were no undue delays in releasing funds to Miss H. I believe Nationwide acted in line with its legal and statutory obligations and that it has not treated Miss H unfairly.

### **My final decision**

For these reasons, my final decision is that I do not uphold Miss H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 27 January 2025.

Mike Ingram

**Ombudsman**