

The complaint

Mr H complains that Nationwide Building Society unfairly closed his accounts. To resolve his complaint, he would like Nationwide to reverse its decision and apologise.

What happened

Mr H has lived outside the UK for many years, but retained his accounts with Nationwide.

In February 2024 he complained to Nationwide about several matters, some of which related to the fact he lives outside the UK. Nationwide did not uphold those complaints.

Shortly afterwards, Nationwide made the decision to close Mr H's accounts. Mr H expressed concern that its decision was related to his complaints, but it did not agree. It said that "while we take a number of factors into account, a significant contributing factor [to the closure decision] is that ... you live outside the UK". Nationwide did not specify any other factors, but it later told us that its decision did not relate in any way to Mr H's complaints.

Mr H remained unhappy with Nationwide's closure decision, and referred the matter to the Financial Ombudsman Service.

One of our investigators looked at Mr H's complaint, but did not uphold it. Briefly, he said:

- Nationwide is under no obligation to continue offering an account to a customer if it does not wish to do so.
- The terms and conditions of Mr H's accounts with Nationwide said the building society could close his accounts by giving two months' notice. It gave Mr H three months' notice (later slightly extended), and our investigator considered that that was fair.
- Nationwide is not required to give a reason for its decision to close accounts, so it didn't do anything wrong when it refused to give further information to Mr H.
- Overall, he thought Nationwide had treated Mr H fairly.

Mr H did not accept our investigator's findings. He made nine points in his response, but said that in the interests of streamlining matters he was not asking us to pursue four of them. His remaining five points were:

- Nationwide's own terms and conditions do not say that living outside the UK is a reason to close an account.
- Nationwide has said that it is unable to offer him the previously agreed products and services. That is objectively false, because it has done so for fifteen years.
- Nationwide then said it was closing his accounts for "additional reasons", which it did not disclose. He successfully overturned the first two reasons that Nationwide gave,

but he cannot challenge the additional reasons if Nationwide will not tell him what they are. The government's website says, "Banks will be required to spell out why they are terminating a bank account", which conflicts with the investigator's comment that banks are not required to give reasons.

- He considers that Nationwide has acted vindictively and in bad faith throughout.
- Our investigator made comments about the dates on which he received (or should have received) Nationwide's closure notices, as well as about the exact dates on which the accounts were closed. But he did not complain about those issues. He is concerned that irrelevant evidence may have been taken into account while relevant evidence was disregarded.

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.

Having done so, I am sorry to further disappoint Mr H, but I am not going to uphold it. I have reached the same conclusions as our investigator, for broadly the same reasons. But I will give some further explanation below.

Firstly, I should say that the text Mr H has quoted from the government's website – which said that banks "will be" required to take certain actions – referred to legislation that was not in force at the time his accounts were closed. A press release issued on 28 April 2025 said that the implementation date was likely to be 28 April 2026 (see <https://www.gov.uk/government/news/millions-of-people-and-businesses-protected-against-debanking>). I am satisfied that our investigator was right to say that Nationwide was not required to give Mr H reasons for its decision to close his accounts at the time it made that decision.

In any event, as an ombudsman my role is to decide what is fair and reasonable in all the circumstances of a complaint. It is not my role to make a declaration as to whether a particular action was or was not unlawful – that is a matter for the courts. I have noted Mr H's comments about administrative law, but I don't think it is necessary for me to comment on them in order to explain why I consider that Nationwide has acted fairly and reasonably. I intend no courtesy in that; my approach simply reflects the informal nature of the Financial Ombudsman Service.

The terms and conditions of Mr H's accounts do not explicitly say that it will close the accounts of customers outside the UK. But I don't think it is necessary for them to do so. Nationwide has told us that it does not always close the accounts of customers who live outside the UK, and that it makes an assessment on an individual basis.

I acknowledge that Mr H told us he did not wish to pursue his allegations of discrimination, but nevertheless I think it is important for me to consider those allegations when considering the fair and reasonable outcome to this complaint.

Nationwide told us that it decided to close Mr H's accounts because of the country he lives in, and not because of his nationality or any other protected characteristic. I realise of course that the residents of any country are very often nationals of that country, and so Nationwide's decision might disproportionately affect people who are not UK nationals. I also realise the inconvenience that decision causes to Mr H, but nevertheless I consider that it is a commercial decision that Nationwide is entitled to make.

I agree that Nationwide could have continued to provide services to Mr H had it wished to do so. Mr H has lived outside the UK for over a decade, and that has not been a problem to Nationwide before. But Nationwide has changed its mind, and no longer wishes to provide services to people living in the country Mr H lives in.

Nationwide has provided me with some additional information about the context for its decision. Our rules allow me to accept information in confidence (see DISP 3.5.9R, which can be seen in the Financial Conduct Authority's Handbook at <https://handbook.fca.org.uk/handbook/disp3>), and I have chosen to do so here. I appreciate that Mr H will be very unhappy about that, particularly as part of his complaint is about Nationwide's lack of transparency, but Nationwide is not required to disclose its criteria for opening, closing, or retaining accounts.

Having considered everything that has been provided to me, I see nothing unfair about the decision Nationwide has made, and I am satisfied that the decision was not made as a result of Mr H's previous complaint or complaints. That means I don't think that it would be appropriate for me as an ombudsman to interfere with Nationwide's decision. Ultimately, it is for Nationwide to decide whether it wishes to have Mr H as a customer – just as Mr H would have been entitled to decide that he wished to end his banking relationship with Nationwide.

I acknowledge that Mr H was not just a customer of Nationwide. He told us he was a "pre-1997 member" of the building society, which in effect means that he was a part owner. But any complaint Mr H were to bring to us in his capacity as an owner (rather than as a customer) of Nationwide would fall outside of our jurisdiction. Our rules enable us to consider complaints from the customers of financial businesses like Nationwide, but we cannot consider complaints from their shareholders or owners. I do not uphold the complaint Mr H has made as a customer of Nationwide, for the reasons I have explained above.

My final decision

My final decision is that I do not uphold this complaint against Nationwide Building Society. I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 19 December 2025.

Laura Colman
Ombudsman