

The complaint

Miss G complains Nationwide Building Society (NBS) unfairly blocked and then closed her bank account without notification.

What happened

Miss G says her bank account was blocked and then closed by NBS without justification or any formal notification, which caused her significant inconvenience and stress.

Miss G says NBS have only offered her £75 for the trouble and upset she has gone through, and the matter has affected her mental well-being and feels a higher amount of compensation is warranted.

NBS says it took the decision to close Miss G's bank account as it believed she disputed several transactions on her bank account that seemed to be genuine. NBS says it took the decision to block the bank account and gave Miss G 90 days' notice of its closure in line with the account terms and conditions. NBS says it accepts Miss G should have received better service when she telephoned on several occasions in February 2024 and has apologised and paid her £75 for that. NBS doesn't feel it has acted unfairly.

Miss G wasn't happy with NBS's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt NBS hadn't acted unfairly when it blocked and closed Miss G's bank account and in line with its terms and conditions it had given 90 days written notice of this. The investigator also felt that under the rules for basic bank accounts, Miss G holding a second bank account made her ineligible for a NBS basic bank account.

Miss G didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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.

Having done so, I won't be upholding this complaint, and I will explain how I have come to my decision. I was sorry to learn Miss G was experiencing mental health concerns and that must be a source of worry for her. When looking at this complaint I will consider if NBS acted unfairly when it blocked Miss G's bank account and gave notice to close it.

Miss G's complaint centres around the fact NBS treated her unfairly when it decided it no longer wanted to continue the banking relationship and blocked her bank account making matters difficult for her to manage her financial arrangements. Miss G says despite what NBS have said she never received any written notification from NBS about her bank account being closed. While I can understand it would have been frustrating and inconvenient for Miss G to have her banking relationship ended by NBS, under its terms and conditions it has

authority to close its customers' accounts provided it gives sufficient notice. Here NBS on review of certain disputed banking transactions, felt the account conduct wasn't acceptable.

While Miss G may disagree, I have seen a copy of a letter it sent by post, dated 12 February 2024 addressed to her, along with a copy from its back-office log showing it had been sent, where it explains its reasons for the actions it was going to take and giving Miss G 90 days' notice of the account closure. The letter also informed Miss G of what actions she needed to take asking her to provide her new bank account details so the balance could be sent and informing her to notify relevant parties such as direct debit providers to arrange alternate methods of payment and I'm satisfied that was clear.

While Miss G says this letter wasn't received, I have also listened to a phone call Miss G had with NBS on 12 February 2024, where she says she had been told she wasn't allowed to bank with NBS and that her account had been blocked – so on balance taking into account both the letter and the phone call, it's reasonable to conclude Miss G was made aware NBS were blocking her bank account and looking to close it.

It's not my role to tell NBS it must continue to provide a banking relationship when it believes the terms and conditions have been breached. I can't say why the account closure letter wasn't received by Miss G as she says, but all the indications are it was sent, and I can't hold NBS responsible for any non-receipt.

While the investigator has pointed out the rules for NBS's basic account, namely that no other bank account may be held with another provider, that wasn't the reason why the banking relationship was terminated, and the account blocked by NBS - as I have already explained the actual reason why the banking relationship was ended.

Although NBS have accepted the service it provided Miss G over a series of phone calls in February 2024 didn't meet its usual standards and at times the information was inconsistent, it has paid Miss G £75 for that, and I am satisfied that is reasonable here. So, taking everything into account, on balance I can't say NBS acted unfairly here and while that will be a disappointment for Miss G I won't be asking anymore of it here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 8 May 2025.

Barry White
Ombudsman