

The complaint

Mr O complains that Nationwide Building Society closed his account.

What happened

Mr O had an account with Nationwide. In 2024, Nationwide froze his account while it carried out a review. It said its account review team would be in touch to let Mr O know the outcome of its investigation. Nationwide then decided to close Mr O's account. Unhappy with all of this, Mr O complained to Nationwide and referred the complaint to us.

Our investigator looked at the complaint, but didn't think it should be upheld. Mr O doesn't agree. The complaint has been referred to me 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.

Nationwide, like all financial businesses, is subject to important legal and regulatory requirements. These mean it needs to monitor customers' accounts and may need to carry out a review at any time. And while it carries out such a review, Nationwide may need to suspend access to the account.

Here, Nationwide first wrote to Mr O in January 2024, asking Mr O for details for some payments he'd received into his account. Nationwide asked Mr O about 11 payments which ranged from £1,000 to just under £60,000. Mr O completed and returned an additional information form to Nationwide in March 2024 explaining these payments. Nationwide then asked Mr O to provide supporting documentation, which he provided in April 2024. Then Nationwide wrote to Mr O on 20 May 2024 to say it was carrying out a review of his account and would freeze the account while it did this.

Based on what I've seen, I'm satisfied Nationwide was acting in line with its legal and regulatory requirements when it suspended access to Mr O's account. I recognise Mr O feels Nationwide should have explained in more detail why it had taken this action. But where Nationwide suspends an account in these circumstances it doesn't need to give reasons, and nor would it be appropriate for me to tell Nationwide to share its reasons with Mr O, much as he wants to know.

Nationwide then decided to close Mr O's account. The terms and conditions that applied to Mr O's account allow Nationwide to close an account for any reason as long as they give Mr O 2 months' written notice. In some cases, they can close an account immediately. Here, the account was closed on 4 June – so with less than 2 months' notice.

Our rules allow me to accept information in confidence. Nationwide has sent me the reasons it closed Mr O's account. I'm satisfied this information is sensitive and cannot be shared with Mr O. Based on what I've seen, I'm satisfied Nationwide was acting in line with its terms and conditions when it closed Mr O's account.

I've considered Mr O's further comments. He's concerned that Nationwide acted as it did because of his personal characteristics. He's highlighted that some of the payments Nationwide asked him about came from a country overseas, where he has an account. He thinks he was subject to racial profiling. He's asked for transparent information about the reasons Nationwide closed his account. He feels that Nationwide is hiding behind the small print.

I can understand why Mr O might feel this way, particularly given the very limited information Nationwide has been able to share with him about why it acted as it did. I don't doubt that closing the account would have caused distress and inconvenience. And while it is not my role to decide whether discrimination has taken place – only the courts have the power to decide this – I have considered the relevant law, including the Equality Act 2010, in relation to what Mr O has said when deciding what I think is the fair and reasonable outcome.

Nonetheless, having considered all the information from Mr O and Nationwide, including the confidential information Nationwide has sent me about why it closed Mr O's account, I don't accept Nationwide discriminated against Mr O here. I'm satisfied that Nationwide had legitimate reasons for acting as it has done. And I haven't seen anything to suggest Nationwide would have treated another customer with otherwise similar circumstances any differently than Mr O. I can't say Nationwide treated Mr O unfairly or unreasonably.

I'm also mindful that, based just on what Mr O has said, he was using his account for business purposes. I note the terms and conditions that applied to this account said that the account is for personal use and cannot be used for business purposes. But Mr O has told us he received a large payment from a client of his employer into this account and was also using the account to receive and send on payments relating to projects for his other business ventures. This again means I cannot say the closure was unfair.

In all the circumstances, I conclude that what Nationwide has done was fair. I don't uphold the complaint and I'm not going to tell Nationwide to do anything further to put things right.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 5 June 2025.

Rebecca Hardman
Ombudsman