

## **The complaint**

Mrs P complains that Nationwide Building Society blocked her account. Mrs P is also unhappy about the amount of time Nationwide blocked her account and the information it wanted her to provide. She says this caused her trouble and upset for which she should be compensated.

## **What happened**

Mrs P has a current account with Nationwide. Mrs P has explained that she uses the account to make cryptocurrency transactions, via platform I will refer to as K.

In May 2024, Nationwide decided to review Mrs P's account to comply with its legal and regulatory obligations. Nationwide blocked the account whilst it completed the review. And asked Mrs P to provide screenshots of the last six months transactions of her account with K, her wallet ID, balances and details of any third parties that was involved in the transactions.

Mrs P discovered her account blocked and contacted Nationwide to find out what was happening. But Nationwide wouldn't give Mrs P much information and told Mrs P that she needed to provide the information it had requested. Following this Mrs P provided Nationwide with account statements for six months for her account with K. And details of K's security information. Mrs P refused to provide screenshots stating it was an invasion of her privacy.

Over the following months Mrs P continued to contact Nationwide to try and unblock her account. However, due to an internal error Nationwide didn't continue with its review of Mrs P's account until August 2024.

Mrs P complained to Nationwide. She said Nationwide treated her unfairly by blocking her account without notice. And that Nationwide had caused delays and were treating her differently due to her age by asking her to provide information. Mrs P maintained she wasn't happy to provide Nationwide with further information.

In response, Nationwide said that it had reviewed and blocked Mrs P's account to comply with its legal and regulatory obligations. And wasn't willing to provide a further explanation. But it accepted it had delayed carrying out its review. And that this had been caused by human error. To put things right Nationwide offered to pay Mrs P £250 compensation for the trouble and upset the delay had caused.

Mrs P remained unhappy and asked us to investigate her complaint. She said the block on her account and lack of access to her funds caused her a lot of problems. She said she couldn't see her account and couldn't use it to complete her usual transactions to K. She wants Nationwide to provide a proper explanation about why it blocked her account. Mrs P said Nationwide's actions made her feel stressed and anxious. To put things right she said she wants £20 per day compensation from the date her account was blocked.

After looking at all the information the investigator said that Nationwide hadn't treated Mrs P unfairly when it had blocked her account and asked her to provide information. The investigator agreed Nationwide had caused delays but he didn't recommend Nationwide should do anything to resolve Mrs P's complaint. He said that Mrs P should contact Nationwide if she wanted to accept its offer of compensation.

Mrs P disagreed and asked for an ombudsman to review her complaint. She maintains that Nationwide have treated her unfairly by blocking her account. So the matter has come to me to review.

### **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 would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Nationwide has treated Mrs P fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Mrs P's submissions.

I want to make it clear that I understand why what happened concerned Mrs P. I've no doubt it would've come as quite a shock to her, and she would've been very worried to find out that her account had been blocked. But as the investigator has already explained, Nationwide has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I've considered the basis for Nationwide's review, which includes information Nationwide has provided to our service in confidence. Having done so I find this was legitimate and in line with its legal and regulatory obligations. So, I'm satisfied Nationwide acted fairly by blocking Mrs P's account. I appreciate that Mrs P wants to know more about why Nationwide did what it did. But Nationwide isn't obliged to tell Mrs P why it blocked and reviewed her account, and I don't believe it would be appropriate for me to require it to do so as much as she'd like to know.

The terms and conditions of Mrs P's accounts also make provision for Nationwide to review and suspend an account. And having looked at all the evidence, I'm satisfied that Nationwide have acted in line with these when it suspended Mrs P's account. So, although I understand not having access to her account caused Mrs P trouble and upset it wouldn't be appropriate

for me to award Mrs P compensation since I don't believe Nationwide acted inappropriately in taking the actions that it did when it blocked Mrs P's account.

I appreciate that Mrs P felt the information that Nationwide requested was intrusive and unnecessary. She also suspects the request was made due to her age. Whilst I can understand Mrs P's reluctance, the information Nationwide was asking Mrs P to provide is fairly standard information that banks and other financial businesses are required to have in order to adhere to their legal and regulatory responsibilities.

It's not in my remit to determine what questions Nationwide should ask its customers to ensure it adheres to its these responsibilities. There's no fixed set of questions or period between each customer review. They are usually done to reflect the changes in the economy, technology or tactics employed by criminals to commit financial crime. So, whilst I can appreciate Mrs P's point of view about the necessity of the information Nationwide requested, I can't reasonably say that Nationwide was acting unfairly in asking Mrs P for the information that it wanted.

Due to Mrs P being unwilling to provide the necessary information, Nationwide continued to block Mrs P's account. I can't say that Nationwide was being unreasonable by doing so. I say this because Nationwide had reasonable grounds in which to ask for the information that it had requested from Mrs P – to comply with its legal and regulatory obligations. To unfreeze the account, Nationwide made it clear that Mrs P needed to provide the requested information. As Nationwide could not meet its obligations, I can't say that it was being unreasonable that it didn't unblock Mrs P's account. his account. Because of this, although Mrs P no doubt experienced inconvenience, I can't say that Nationwide did anything wrong. So, I don't think it would be appropriate to award compensation for this aspect of Mrs P's complaint.

Mrs P has said that she believes that she is a victim of discrimination by Nationwide. She says she suspects Nationwide only asked her to provide information because of her age. While I can appreciate this is her perspective, it is not my role to decide whether discrimination has taken place – only the courts have the power to decide this.

I have, however, considered the relevant law in relation to what Mrs P has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010 (The Act). I have to consider if other customers in similar situations would have been treated the same way. Having looked at all the evidence, I haven't seen anything to show that Nationwide would have treated another customer with similar circumstances any differently than Mrs P. After looking at all the evidence, I've not seen anything to suggest Nationwide treated Mrs P unfairly when it decided to ask her for information and review her account.

Mrs P has said that Nationwide have kept her account blocked for too long. I note that Nationwide has accepted its service fell short and due to a human error it caused delays during its review process. Nationwide has offered Mrs P £250 compensation for any trouble and upset she suffered as a result of its mistake. But it doesn't follow that I must award Mrs P compensation in these circumstances. Instead, I have to consider all the circumstances and information surrounding Mrs P's complaint to decide whether I think awarding compensation would be a fair and reasonable outcome.

After considering what Mrs P has said and the content of Nationwide's review, which includes the information Nationwide has provided to our service in confidence, I don't find awarding Mrs P compensation would be fair or appropriate. I understand Mrs P would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to

me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

Accordingly, I have accepted information in confidence which I am not disclosing to Mrs P. And the description of that information is that it's of a nature which justifies Nationwide review, and which has led me to decide that awarding Mrs P compensation would not be a fair or appropriate outcome for any of the matters she has brought as part of this complaint.

So, I'm not requiring Nationwide to compensate Mrs P for any trouble and upset she may have experienced because of the time taken for Nationwide to carry out its review, and the further dissatisfaction she experienced which ultimately flowed from not having access to the funds in her account, including her unhappiness with Nationwide's communication and the information it didn't provide her.

In summary, I recognise how strongly Mrs P feels about her complaint, so I realise she will be disappointed by my decision. But overall, based on the evidence I've seen I won't be telling Nationwide to do anything more to resolve Mrs P's complaint. If upon reflection Mrs P wants to accept Nationwide's offer of compensation, as the investigator has already explained, she should contact Nationwide.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 12 June 2025.

Sharon Kerrison  
**Ombudsman**