

The complaint

Mr W complains about the policy of Nationwide Building Society (NBS) when they requested from him, a certain piece of information.

What happened

Being a customer of NBS for many years, when Mr W was online attempting to do some banking, he was presented with a requirement from NBS asking for his annual income figure. Unhappy to provide this without a valid reason, Mr M queried this with NBS asking for the relevant piece of legislation that requires him to provide it.

NBS could not provide what Mr W was asking for so Mr W logged a complaint with them. NBS investigated the complaint and spoke to Mr W, following up their response with a letter. In it, they explained that as part of Customer Due Dilligence (CDD) they required the information to align with the Money Laundering Regulations 2017. NBS went on to explain that they are required to hold certain pieces of customer information which they need to revalidate in future to ensure their records are kept up to date.

Mr W was dissatisfied with NBS's response and explanation and referred his complaint to our service, asking again for the piece of legislation which requires NBS to ask him for his annual income, and for him to comply with that request.

Our investigator looked into the complaint and contacted NBS and as a result, would not be asking NBS to do anything further. Our investigator said that NBS must comply with regulation, and used the information to understand how much they can expect to cycle through the account, giving a valid worked example to illustrate the point.

Mr W remained unhappy, saying he still had not been provided with any legislation, and that through what they were doing, NBS were preventing him from accessing his funds. Accordingly, Mr W requested an ombudsman review his complaint.

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 have looked carefully at all the information NBS have provided to see if it has acted within its terms and conditions, followed due process, and to see if it treated Mr W fairly.

I was sorry to learn that what should have been a straightforward process of NBS attempting to update their customer information has turned into a prolonged complaint for Mr W. Part of my role is to determine whether what took place treated Mr W reasonably, and whether NBS followed the process correctly.

Looking over the correspondence Mr W has sent to NBS, and to this service, I recognise he feels strongly about this complaint, but generally, subject to regulatory approval, it's for the business to decide how to provide and maintain accounts.

NBS within their Terms and Conditions (T&C) do say 'From time to time, we may ask you to provide us with information to help us meet our anti-money laundering, financial crime, sanctions and other legal and regulatory requirements' and I'm persuaded that Mr W as part of becoming a customer, would have agreed to this.

I know Mr W has asked for the specific piece of legislation that allows NBS to require this information, and for Mr W to comply with it, but we are an informal dispute resolution service and an alternative to the courts; therefore, we wouldn't look at legislation to verify its validity. Going back to the T&Cs of NBS, it's clear that NBS are open about their requirements, and it falls to me to consider whether what NBS asked Mr W for was reasonable. In view of what I've said, I do consider it reasonable for them to ask for this information from Mr W, and without having to provide any further explanation or justification than they have so far done.

Additionally, across the financial services industry, CDD and information requests such as this one that form part of it are commonplace, and form part of the relationship that a provider has with its customer.

Finally, to Mr W's point that through asking for this information, they have prevented Mr W from accessing his accounts, I've only seen evidence that restrictions have not been applied, so I can't agree with this aspect.

I am sympathetic to Mr W's predicament, but I have to look at any identifiable errors and within this complaint, there are none. I think NBS has acted within its terms and conditions and treated Mr W fairly, with their reasonable request. And so, I cannot require it to take any further action towards him.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 August 2025.

Chris Blamires
Ombudsman