

The complaint

Mr B is unhappy that Nationwide Building Society asked him to provide several pieces of personal information, including proof of residency, and that Nationwide have said that they will restrict his accounts with them if he does not.

What happened

Mr B raised a complaint with Nationwide because he was unhappy that Nationwide have asked him to provide information including proof of residency and will restrict his accounts if they do not. Mr B is also unhappy that Nationwide haven't explained, to his satisfaction, exactly why they have requested this information from him.

Nationwide responded to Mr B and explained that they required the information to satisfy their Customer Due Diligence ("CDD") protocols. Nationwide also explained that they will require an account holder to update their personal information with them at certain milestones or periodically, in the absence of milestones. And Nationwide noted that they haven't formally updated Mr B's information since he opened his accounts with them, over twenty years ago. Mr B wasn't satisfied with Nationwide's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel Nationwide were acting unfairly towards Mr B as he felt was the case, and so they didn't uphold the complaint. Mr B remained dissatisfied, so the matter was escalated 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. This is because I'm satisfied that it's for Nationwide to decide upon and implement their CDD protocols, and because I'm satisfied that Nationwide's actions in requiring the information that they have from Mr B aren't unreasonable or unfair.

Mr B has said that he's willing to provide the information that Nationwide are requesting to them, but will only do so when Nationwide explain, to his satisfaction, exactly why they are requesting this information at this time. Mr B has also stated that he isn't satisfied with the explanation that Nationwide have provided to him thus far, and that he wants a more detailed and specific explanation of exactly what triggered Nationwide's request.

But I don't feel that Mr B's expectations in this regard are reasonable, and I wouldn't expect any bank to provide the detailed explanation regarding the trigger points for their CDD policy (or any other policy) as Mr B would like. This is because I feel such information is sensitive and should reasonably be kept out of the public domain. This is because if a bank did allow such information to enter the public domain, then this would enable the possibility that account holders might act in the knowledge of such trigger points so as to avoid them, which might potentially impact the usefulness and effectiveness of that policy.

Ultimately, Nationwide have explained to Mr B what information they require from him, and they've provided a high-level explanation to Mr B of why they require that information. Additionally, Nationwide have also explained what they will do – restrict Mr B's accounts – if Mr B doesn't provide the information they require from him. This is all that I would reasonably expect from Nationwide, and I wouldn't fairly expect them to provide any further information to Mr B beyond that which they've already provided to him.

It's now for Mr B to decide whether to comply with Nationwide's request or not. But if Mr B chooses not to comply, then I wouldn't feel that Nationwide were acting unfairly if they restricted Mr B's accounts, as they've explained to him that they will, until such time that he does comply.

If Mr B is frustrated or inconvenienced by any restrictions that Nationwide might apply to his accounts as a consequence of his non-compliance with what I'm satisfied is a fair and reasonable request for Mr B to update his personal information to Nationwide's satisfaction, then I would consider Mr B to be the cause of that frustration and inconvenience, given that by his own admission he can provide the information to Nationwide that they require but is choosing not to.

Finally, Mr B has said that he feels that Nationwide are applying industry regulation incorrectly in requesting this information. This service isn't a regulatory body and so I'm unable to comment on this point. What I can comment on is whether I feel Nationwide are acting fairly and reasonably, as per the remit of this service. And, as I've explained above, I feel that Nationwide are acting fairly and reasonably in this instance, given the explanation that they've already provided to Mr B and the length of time that's elapsed since he last provided a similar level of information to them.

All of which means that my final decision here is that I do not uphold this complaint or instruct Nationwide to take any action alternative to that which they've already explained to Mr B that they might take. I trust that Mr B will understand, given what I've explained, why I've made the final decision that I have.

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 Mr B to accept or reject my decision before 29 July 2025.

Paul Cooper
Ombudsman