

The complaint

Miss D complains that Nationwide Building Society restricted her basic bank account.

What happened

Miss D had an account with Nationwide. In December 2024, Nationwide restricted her account while it carried out a review. Nationwide told Miss D it had concerns about her account and that it was required to do this by fraud prevention regulations.

Miss D says this caused her financial difficulties, and that she was being given conflicting information by Nationwide. She complained to Nationwide and then referred the complaint to us.

Our investigator looked at this but didn't think Nationwide needed to do anything further. Miss D disagrees. 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 legal and regulatory requirements aimed at preventing fraud and financial crime. These mean Nationwide is required to monitor customers' accounts, and may need to carry out a review at any time. When it carries out such a review, it may need to restrict access to the account.

This is reflected in the terms and conditions that applied to Miss D's account. These allow Nationwide to request information to help it meet its legal and regulatory obligations. It also allowed Nationwide to restrict accounts or block payments where it was required to do so by law. The terms also allow Nationwide to close accounts provided it gives appropriate notice – and in some circumstances it can do so immediately.

In Miss D's case, Nationwide has said that it blocked Miss D's accounts because it had concerns about the account. It blocked the account on 7 December 2024. Then on 20 December 2024, Nationwide decided to close Miss D's account.

We've asked Nationwide for further information about why this happened. Our rules allow us to receive information in confidence, so that only a summary is disclosed to the other party. In this case, Nationwide has provided information about the review it carried out. I'm satisfied that this information is sensitive and cannot be shared with Miss D. Based on what I've seen, however, I'm satisfied that Nationwide was acting in line with its legal and regulatory obligations and the relevant terms and conditions when it reviewed and then closed the account – and that this was fair. And while I appreciate Miss D wants to know more, where Nationwide reviews and closes an account in these circumstances it doesn't need to give reasons and it wouldn't be appropriate for me to tell Nationwide to share its reasons with Miss D.

I've carefully considered the further points Miss D has raised. I accept that the review may have caused Miss D financial difficulties – and I acknowledge that the block meant that Miss D wasn't able to make payments for bills and rent. I don't doubt what Miss D has said about the impact the review had on her. I have every sympathy for Miss D and don't doubt she's had a difficult time. But as I can't say that Nationwide were wrong to have reviewed and blocked Miss D's account, this isn't something Nationwide needs to compensate Miss D for. After the account closed I see Miss D was able to withdraw the funds in cash a few days later. And as I've found it was fair for Nationwide to have closed her account, Miss D was always going to need to rearrange her finances.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 19 September 2025.

Rebecca Hardman
Ombudsman