

The complaint

Mr E complains about Nationwide Building Society (NBS) after he instructed two large value payments.

What happened

Mr E instructed via branch, two payments of £80,000 to a company who I'll refer to as A. One payment was sent in October 2022 and the other in February 2024. In August 2024, the Financial Conduct Authority (FCA) instructed A to cease trading and all assets were frozen, resulting in significant losses for Mr E.

Soon after, Mr E complained to NBS saying they had failed in their Consumer Duty (CD) obligations in a number of regards such as delivering good outcomes, acting in good faith, avoiding foreseeable harm, and allowing him to pursue financial objectives. Furthermore, NBS should pay compensation of the amounts Mr E sent along with the gain that the monies had accrued.

NBS responded to say they could not agree they had done anything wrong. NBS said the correct level of questioning was applied when Mr E visited the branch to send the payments, and that in terms of CD, they believed that all the expected steps were taken. NBS also said that once the payments had debited, they would not carry out retrospective checks following company failure.

Dissatisfied, Mr E brought his complaint to our service, adding that he was aware that NBS had refused a payment to A that another NBS customer had attempted to make. Therefore, our investigator looked into the complaint.

Our investigator issued their view in which they said they were unable to uphold the complaint as there was no evidence to show that NBS were aware of issues with A. Additionally, our investigator said proper checks were made at the time of the payments being sent, and regarding CD, they hadn't seen anything to show that NBS failed in its obligations.

Mr E disagreed with this outcome and requested an ombudsman review his complaint maintaining that NBS knew about the issues with A before the FCA's actions and accordingly should have warned other investors.

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've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I have looked at the information NBS has

supplied to see if it has acted within its terms and conditions and to see if it has treated Mr E fairly.

I thank Mr E for all the information he has sent into this service and If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

What's not in question is how NBS dealt with the two payments that Mr E requested. Therefore, this isn't something I'll spend any time addressing. Regardless, Mr E made both payments before the FCA's actions in terms of A so it wouldn't be fair to ask NBS to do anything about the monies.

Regarding CD about which I know Mr E feels very strongly, and comprises a large proportion of his complaint, I agree with the investigator that I've not seen any evidence to support NBS not fulfilling its obligations. NBS carried out the required checks at the time of the payments being requested, and there's nothing to suggest that NBS knew of any issues with A around the time of either of these events. I don't regard it as a reasonable expectation for NBS to make contact with Mr E, or any customer months after a payment has been processed, to make them aware of a company failure.

To Mr E's point that when NBS became aware of what had happened to A, they should have informed their customer base; again, I don't regard this as a reasonable expectation of NBS as a bank. Plus, I can't see anything within NBS' terms and conditions which says they are obliged to do so.

Mr E has provided details of a customer who he says attempted to make a payment to A a month before the FCA's actions, and NBS refused it. This, Mr E says supports his case that NBS knew about the impending problems with A. But this complaint is about Mr E and that's where I've concentrated my efforts so I can't comment on the activities of other customers.

Going forward if Mr E continues to have these concerns about NBS and their approach to CD, he may wish to raise them with the regulator, the FCA although he should be aware that they will not consider individual complaints.

In conclusion, from everything I've reviewed, it would not be fair or reasonable to ask NBS to do any more.

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 E to accept or reject my decision before 12 September 2025.

Chris Blamires

Ombudsman