

The complaint

Mr B complains Nationwide blocked and later closed his account. He would like compensation for the way he was treated and for the block and closure.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reason for my 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've decided not to uphold this complaint. I'll explain why below.

- Nationwide has extensive legal and regulatory obligations which UK legislation places on it as a regulated financial business. Including the responsibility to protect its customers from financial harm and to prevent and detect financial crime.
- Nationwide is obliged to adhere to the Know Your Customer responsibilities (KYC) imposed on it by the regulator, the Financial Conduct Authority (FCA).
- To comply with its KYC responsibilities Nationwide asked Mr B to provide information about his source of wealth. I can see Nationwide told Mr B that his accounts could be blocked and closed if he didn't provide this information. Mr B provided some of the information Nationwide requested but not all. Nationwide contacted him again asking him to complete the form and provide further information. I don't find Nationwide's requests unreasonable as looking at the statements Mr B was receiving lots of credits and cash deposits from his spouse. Mr B told Nationwide he wasn't willing to provide the information. He said he thought some of the information which Nationwide requested was private and he didn't feel he should have to provide information about his spouse's account.
- Nationwide blocked the accounts. Mr B has said he asked the Nationwide representative he spoke to, not to block his accounts as he was going abroad. Mr B was unhappy his accounts were blocked on the same day his salary was due to be paid. He said he had no money to pay for bills, and he was stranded in a foreign country with no access to money.
- I appreciate the timing of the block was inconvenient for Mr B, however Nationwide were entitled to block his accounts and although Mr B wanted to know how long the block would be in place for, Nationwide were not in a position to say as reviews can vary in time they take.
- Based on all the evidence and circumstances, I'm satisfied Nationwide were entitled to ask Mr B questions regarding his accounts to fulfil their KYC requirements. I'm

also satisfied they were entitled to block the accounts as part of the review.

- Mr B has mentioned the block on his accounts had financial and health consequences for him and has requested compensation for late payment fees, prescription charges, and a Nationwide Bonus he believes he is still entitled to. I am very sorry to hear Mr B's health was affected by the block on his account and he faced having to speak to his employer about it, as well as the issues with trying to cover his bills whilst his accounts were blocked. Having said that, Nationwide were entitled to block Mr B's accounts whilst they carried out a review, I don't think they have done anything wrong, and I won't be asking them to compensate Mr B further.
- Another part of Mr B's complaint is that he is unhappy with how Nationwide handled his complaint. Nationwide have agreed they should have communicated better with Mr B and have agreed to pay compensation as well as cover the costs of his phone calls from abroad. In total £139 has already been paid into Mr B's account. I'm satisfied Nationwide have acted fairly here, and I won't be asking them to pay any more compensation.
- Mr B has mentioned damage to his credit score as a consequence of the block on his account. I haven't seen any evidence of this, but in any event, as I've found that Nationwide acted fairly when they blocked his accounts, I can't say they should be held liable for the impact the block may have had on Mr B's credit score.
- Nationwide closed Mr B's accounts on 30 June 2025 and returned the funds to Mr B. For Nationwide to act fairly here they need to meet the criteria for immediate closure. Having looked at the evidence and the terms, I'm satisfied that Nationwide have applied the terms fairly. And it was entitled to close the accounts as it's already done.
- In summary, having reviewed the evidence I'm satisfied Nationwide have acted fairly and in line with their legal and regulatory obligations in reviewing, blocking and then closing the accounts. I won't be asking them to do anything else.

My final decision

My final decision is I don't uphold Mr B's complaint about Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 March 2026.

Esperanza Fuentes
Ombudsman