

The complaint

Mr B complains that Nationwide Building Society declined his account application. He wants to know what information it has based its decision on.

What happened

Mr B held an account with Nationwide which was closed in 2024 (which has been the subject of a separate complaint.)

On 3 February 2025 Mr B was able to open an account with Nationwide. Nationwide wrote to Mr B the following day after his application to say it had closed the account.

Nationwide completed further checks and said they wouldn't be able to offer Mr B an account as he didn't meet their criteria for holding an account with them.

Mr B complained to Nationwide. He wants Nationwide to provide a proper explanation why it doesn't want him as a customer. He pointed out that he had an account with Nationwide previously and they wrongly loaded a fraud marker against him which has been removed. So, he doesn't understand why he wouldn't be able to open another account.

In response, Nationwide apologised and explained that it had decided it wasn't able to offer Mr B an account. And that it wasn't obliged to provide Mr B the reasons behind its decision.

Mr B wasn't happy with this response and brought his complaint to our service. He said Nationwide should have at least let him know why it had decided not to offer him an account. He said he wants an account with Nationwide so that he can take advantage of its good interest rates and rewards program.

One of our investigator's looked into Mr B's complaint. But didn't uphold it. Mr B disagreed. He wants to know why Nationwide refused his application.

As no agreement could be reached the matter came 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.

It's clear based on what Mr B has told us, that he is keen to have an account opened with Nationwide. So, I can understand he was disappointed and upset when Nationwide closed his recently opened account within 24 hours of it being opened.

I'll start by saying that just as it is for a customer to decide who they bank with, a bank like Nationwide is entitled to decide who it offers banking services to. Banks will generally set their own policies and processes for dealing with new applications, and part of that will form

their risk criteria, with regard to any legal and regulatory obligations in place. It is not in my remit to say what policies or risk appetite Nationwide should have in place. Instead, my role is to consider what's fair and reasonable in the individual circumstances of this complaint.

Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. But they shouldn't decline to open an account or close an account without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Nationwide has explained that it is a normal part of its process to conduct further checks after an account has been opened, which included looking at information recorded at credit and fraud prevention agencies. And information it held. It makes this clear in its terms and conditions.

I haven't seen anything to suggest that Nationwide treated Mr B's application differently. Following completion of these checks Nationwide decided it couldn't offer Mr B an account. Nationwide is entitled to do this.

I've next gone on to consider whether Nationwide's reason for closing the account was fair. Nationwide has provided some further details of its decision-making process, I'm sorry but I can't share this information with Mr B due to its commercial sensitivity. But I've seen nothing to suggest Nationwide's decision around closing Mr B's account was unfair. On balance when considering Nationwide's wider regulatory responsibilities and all the information available to me, I find Nationwide had a legitimate basis for declining to offer Mr B an account. So, I don't find Nationwide treated Mr B unfairly.

I understand of course why Mr B wants to know the exact reasons behind Nationwide's decision, other than what he's been previously been told. And I can see that Mr B has asked Nationwide to explain itself on several occasions. But Nationwide is under no obligation to tell Mr B the reasons behind its decision, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr B this information. And it wouldn't be appropriate for me to require it to do so.

In summary after carefully considering this matter, I'm satisfied that Nationwide has acted fairly and reasonably in closing Mr B's account. I realise this will be frustrating for Mr B and that he wants further information and a detailed explanation as to why his application hasn't ultimately been approved – but Nationwide is under no obligation to provide that. It follows that I won't be asking Nationwide to do anything further to resolve Mr B's complaint.

My final decision

For the reasons I've explained, 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 21 October 2025.

Sharon Kerrison
Ombudsman