

## **The complaint**

Mr M complains Nationwide Building Society provided poor customer service when it blocked his account.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr M held a Nationwide account. On 2 July 2025 Mr M tried to make a payment, and this was stopped so Nationwide could carry out further checks. Nationwide tried to contact Mr M by phone on the details Mr M provided to it. Mr M says this number was for his mother, and he does not use a smartphone.

As Nationwide's checks couldn't be completed Mr M's account was restricted. Mr M raised a formal complaint about the handling of his account as he believed Nationwide had acted unfairly. In its final response letter Nationwide said it appreciated Mr M's frustration but that it had followed the correct processes it has in place. It confirmed Nationwide wanted to get hold of Mr M to check a payment, and that the phone numbers it held were provided by Mr M in 2022. It confirmed these could be removed if Mr M wished, and that it would contact Mr M in writing or via email. Nationwide also explained it still needed to speak to Mr M regarding his account, and it provided a number for Mr M to contact.

Mr M remained unhappy and referred his complaint to this service. An Investigator gathered the relevant evidence and in summary, made the following recommendations:

- Nationwide's decision to check the payment on the account was fair and it acted in line with the account terms.
- Nationwide is required to have measures in place to verify transactions.
- It was reasonable for Nationwide to contact Mr M on the details he provided.
- In order to remove the restrictions on the account Nationwide needs to speak to Mr M and this requirement is fair.

Mr M disagreed with the view and maintained he had been treated poorly and the process in place at Nationwide is flawed.

As no agreement could be reached, the case has been referred to me – 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.

Firstly, I am sorry to see Mr M has had cause for complaint. I can see he has found Nationwide's actions highly unacceptable. Mr M has made detailed submissions, and I'd like to reassure Mr M that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. 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. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I'll start by setting out some context for the review of Mr M's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations and aim to protect consumer accounts from fraud and financial crime. In Mr M's case I'm satisfied Nationwide was complying with these obligations when it reviewed the payment from his account.

Mr M's account terms and conditions also allow Nationwide to verify payments. Mr M says it's not fair that the account has been blocked. However, I consider a block to be appropriate whilst a payment is reviewed to safeguard the account. An account block whilst a payment is checked is common industry practice, and I don't consider this to be an inappropriate tool for Nationwide to use.

I understand Mr M's frustration with the block, and I don't doubt it is having a detrimental impact on him, especially as he appears to have used the current account regularly. Mr M says the funds within the account are his and he should be able to use them without hindrance. It is not in dispute the funds belong to Mr M – however, in having a bank account with Nationwide Mr M is entrusting it to hold these funds. And as explained this agreement comes with certain terms and conditions, which Mr M agreed to when the account was opened. Although I understand Mr M's frustration, I consider the block to be necessary to ensure Nationwide was able to comply with its regulatory requirements.

When the account was blocked Nationwide contacted Mr M by telephone and used the phone number he provided in 2022. Mr M says this number is his mother's, and he doesn't wish to speak to Nationwide on the phone. I appreciate Mr M has his views on smartphones and the use of telephones by banks to contact customer's. However, Nationwide didn't have any notification that Mr M did not want to be contacted by phone, and he provided these details to Nationwide. So I don't consider it unreasonable for it to have tried to discuss his account with him on the phone, using the details provided.

Mr M has raised several concerns regarding the systems in place at Nationwide. This includes its security processes which rely on smartphones. Mr M believes the systems in place are ineffective, and susceptible to manipulation and fraud. I must highlight that it is the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. We do not perform the role of the industry regulator, and it is not our role to comment on how businesses conduct their operations. That's the role of the regulator, the Financial Conduct Authority (FCA). For these reasons I won't be responding to Mr M's comments about the way Nationwide operates on a general level and its procedures.

Mr M says his account remains blocked and Nationwide has failed to support him. I appreciate Mr M is unable to attend branch due to his health, and I am sorry to see the impact the block is having on him. However, Nationwide has explained that it needs to discuss the account with Mr M, and it has provided a phone number Mr M can contact so the

fraud team can complete its checks. Mr M doesn't want to speak to Nationwide on the phone; however, Nationwide says the nature of the checks it needs to complete means they can't be carried out via letter or email. Mr M has concerns about security, but Nationwide will conduct verification before it discusses any account details with Mr M. Overall, I recognise the stress and inconvenience this matter is causing Mr M, but I consider Nationwide's actions and attempts to support him to be fair and reasonable in the circumstances.

I'm sorry this isn't the outcome Mr M hoped for. I do hope my final decision provides some assurance that his concerns have been properly considered and sets out why I won't be asking Nationwide to take further steps.

### **My final decision**

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 December 2025.

Chandni Green  
**Ombudsman**