

## The complaint

Miss W complains that Nationwide Building Society blocked her account in error and then unfairly closed her account following some contentious phone calls.

## What happened

Miss W is disgusted Nationwide blocked her account and felt threatened with notifications she received about her address needing to be confirmed. She complained to Nationwide.

In its response, Nationwide said on 9 July 2025, it received returned mail which meant Miss W needed to confirm her address, and she did this on 15 and 30 July 2025. Nationwide said it then mistakenly put the block on her account which meant Miss W was unable to use her card or access online banking. Nationwide apologised to Miss W and for its incorrect timescales as to when these would be lifted and paid her £30 compensation.

Nationwide said during multiple calls to its contact centre on 8 August 2025, Miss W made racist comments about its staff. Nationwide said that as these were offensive and unacceptable it was closing her account. Nationwide said although it could close the account immediately, it gave Miss W one month's notice to make other banking arrangements. Nationwide asked Miss W not to call again or visit any of its branches.

Miss W was unhappy with this response and referred her complaint to our service. She said when she called Nationwide, she asked to speak to someone based in the UK, but Nationwide took this to be racist and closed her account. Miss W doesn't want her account closed as she believes it's the bank's error, and she would like to be compensated.

Our investigator recommended the complaint be upheld in part. She said Nationwide was in error in blocking Miss W's account as she had confirmed her address in July 2025 and it gave conflicting information until correcting this on 8 August 2025. Regarding the calls, she said Nationwide should have called Miss W back when the first call dropped. And a second adviser told Miss W that her card was unblocked, but her card was declined again. The investigator recommended that Nationwide pay Miss W £100 compensation.

The investigator said whilst the error in blocking of Miss W's account for one day was due to Nationwide, it hadn't been unfair in closing her account. She appreciated Miss W's frustration, but this turned into unreasonable behaviour. She said some of the language Miss W used to Nationwide's staff was unacceptable, and they closed her account in line with their terms and conditions, which state the following in section 78(d):

*'We may close your account immediately and without notice in exceptional circumstances. These might include: You have been threatening or abusive towards our staff or the staff of any third-party providing services in connection with the account.'*

Miss W was unhappy with this outcome and requested an ombudsman review her complaint.

## **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'd like to confirm this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, we are an informal, impartial dispute resolution service. Our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, taking all factors and circumstances of a complaint into consideration.

What's not in question is whether Nationwide made mistakes. They acknowledged that they blocked Miss W's account for a day in error and should have been clearer in their communications about her account. I'm glad to see that Nationwide has apologised for those errors, and our investigator recommended it pay Miss W £100 compensation.

I think this outcome is fair and reasonable in the circumstances. I will explain my reasons for my findings about Nationwide's service to Miss W, and its decision to close her account.

### Nationwide's service to Miss W

When a letter from Nationwide was returned Miss W explained (on 15 July 2025) she wasn't at the property all of the time due to renovations and the mailbox being full. However, on 8 August 2025 she discovered her card and online banking were blocked. She said Nationwide's advisers kept telling her the card had been unblocked when it hadn't.

Nationwide, in common with other banks, is legally required to send certain information by post. I can see 'Returned Mail Alerts' in its records and its policy is to request customers to confirm their address to ensure its records are up to date. This is a normal security process to protect customers' data and has been addressed as a separate complaint.

However, Nationwide made the mistake of recording that Miss W hadn't confirmed her address and mistakenly activated the block. Given that Miss W had confirmed her address on 15 and 30 July 2025, this was a significant error, which caused her inconvenience.

I have listened to the calls between Miss W and Nationwide on 8 August 2025. The first adviser agreed to lift the block, but didn't provide the correct timescales, which was that this would occur the next day. Miss W was given to understand the block was lifted immediately and she then discovered otherwise when a further payment failed. I can understand her concern and embarrassment about this situation.

The next adviser gave Miss W the correct information, but not in a convincing way. And, during the call Miss W was extremely upset and seemed to have difficulty breathing. Miss W was intent on speaking to a manager and became more exasperated when she was told this wasn't possible.

On the third call, Miss W set out her complaint – in part that she couldn't buy a train ticket and might get fined. The call ended acrimoniously without a satisfactory resolution. Miss W told Nationwide she was unhappy with how this adviser spoke to her. Nationwide said its adviser was calm, professional and polite and provided the correct information. However, I don't think the adviser told Miss W that she could use her card the next day and did not correct her assumption (from the timescale he gave about the response to her complaint), that this would take at least five working days. This misinformation was further exasperation to Miss W and was continued on the fourth and last call with Nationwide. However, this adviser checked to ensure her address details were correctly recorded.

I can see that Miss W was able to use her card the following day, 9 August 2025, as she had the day before (7 August 2025). And so, Nationwide's significant error in blocking her

account and misinforming her about unblocking was of a very limited duration. Our service considers compensation according to the impact of a mistake and poor service on a consumer, and in line with our guidelines, £100 compensation would be considered fair and reasonable for the disruption to Miss W's account.

Nationwide said that if Miss W incurred any costs due to its error such as call costs, it would consider these further.

#### Nationwide's closure of Miss W's account

Nationwide said Miss W's behaviour affected its staff and I've seen the contemporary record where the adviser wrote, 'Caused upset'. It was Miss W who ended the call.

These were clearly contentious and highly-charged conversations as Miss W was frustrated with the timescale for unblocking her card. However, Miss W's directed racist comments to Nationwide's advisers. I share the view of our investigator that Nationwide and its advisers were entitled to consider these to be wholly unacceptable and unreasonable and in breach of the terms and conditions of the account.

Just as a customer can choose who they bank with, a bank can decide who they offer their services to and reserve the right not to offer facilities to some customers, or to customers in certain circumstances. Nationwide was entitled to close Miss W's account.

In summary, Nationwide's service should have been better, and Miss W's card should not have been blocked, and she should have been told the correct timescale for unblocking, which was the following working day. Given the language used by Miss W to Nationwide's staff, I think Nationwide acted fairly in closing her account.

Our service investigates the merits of complaints on an individual basis. And that is what I've done here. I think it's important to explain that my decision is final. I realise that Miss W will be very disappointed by this outcome though I hope she appreciates the reasons why it had to be this way. By rejecting this decision all options remain open to her.

#### **My final decision**

For the reasons I have given it is my final decision that the complaint is upheld in part. If accepted by Miss W, I require Nationwide Building Society to pay her compensation totalling £100 in respect of the impact of its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 7 January 2026.

Andrew Fraser  
**Ombudsman**