

The complaint

Mr N complains that, since October 2008, Nationwide Building Society incorrectly allowed a person to call Mrs M2 to operate his account without his knowledge, approval or consent.

The complaint has been brought by Mrs M1, who has held power of attorney (POA) to deal with Mr N's affairs since September 2025.

What happened

In February 2025, Nationwide informed Mrs M1 that Mrs M2 had been recorded as holding power of attorney over Mr N's account since 2008.

Mrs M1 told Nationwide that Mr N had no recollection of setting up any such arrangement and believed it was fraudulent.

Mrs M2 was removed from the account in March/April 2025 following these concerns.

Searches undertaken by the Office of the Public Guardian (OPG) confirmed that no lasting power of attorney (LPA), enduring power of attorney (EPA), or deputyship order had ever been registered for Mr N.

Following a branch visit, Nationwide concluded that Mr N lacked capacity to manage his account. As Mrs M1 had not yet been appointed as attorney, Nationwide applied safeguarding restrictions to the account, preventing online transactions and in-branch withdrawals until legal authority could be verified. To ensure essential bills continued to be paid, Nationwide set up a third-party mandate.

Mrs M1 was dissatisfied that Nationwide could not produce any records from 2008 showing the basis on which Mrs M2 had been authorised. She said there was no evidence that Nationwide had carried out due diligence at the time.

During the course of this complaint, Mr N appointed Mrs M1 to act as his sole attorney under an LPA registered with the OPG.

Our investigator did not uphold this complaint, concluding that:

- it wasn't unusual that documents from 2008 were no longer available
- Nationwide would, on balance, have required some form of documentation before allowing Mrs M2 to act
- the OPG searches weren't definitive as there were other types of legal arrangements that can be put in place for someone acting as an attorney, that wouldn't have shown on the OPG searches
- fraud was a matter that Mrs M1 should consider taking up with relevant authorities
- Nationwide acted reasonably by restricting the account to safeguard Mr N's funds until it was established who had authority to manage the account.

Mrs M1 disagreed. She said the issue was not the absence of documents from 2008, but whether Nationwide could reasonably assume it had the authority to give Mrs M2 control when it could not evidence:

- what type of legal authority was relied upon
- what documents were provided
- whether Mr N was aware or had consented
- how Mr N's authority or capacity was verified
- what safeguards were applied at the time

She considered it unfair that the lack of records defaulted in the bank's favour, particularly given Mr N's vulnerability, and argued that Nationwide should either evidence the legal basis for its actions or accept responsibility for failures in process and oversight.

The complaint was referred for review by an ombudsman.

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 independently reached the same conclusions as the investigator. I'll explain my reasons.

To uphold this complaint, there would need to be persuasive evidence that Nationwide acted wrongly or unreasonably. Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base my decision on the balance of probabilities and decide what I think is more likely to have happened.

Nationwide can't now produce records from 2008 showing what documentation it relied on. But I wouldn't expect a building society to keep records indefinitely given that relevant data protection laws and regulations are strict about what information businesses can hold and for how long. Here, I don't think it's unreasonable that Nationwide can't provide detailed information dating back nearly 18 years.

Nationwide has an established process for verifying authority for third-party access, and I consider it likely a similar process was in place in 2008. I think it is unlikely that Nationwide would have permitted a third-party to operate a customer's account without verifying their authority. While I can't know for certain what form that authority or the checks involved took, I think the fact that the account was operated for so long without any issue or concerns being raised means that Nationwide would've been entitled to think the account was being operated with Mr N's consent and authority.

I don't think that Nationwide's description of the authority it relied on as a 'POA' in its records is definitive and necessarily means that it received a Power of Attorney (or something that looked to be such a document) back in 2008. I say this because there are no records with the OPG of such a document and Nationwide is (with reasonable justification) unable to produce such a document or the details of the authority relied on. Nationwide says that this option could appear in its records as relating to a Power of Attorney or other form of valid authority. But, given the time that has passed and the lack of information available, I can't fairly conclude that this single entry on Nationwide's system is evidence of a failing.

So whilst I can understand it's frustrating, the absence of documentation from 2008 isn't sufficiently persuasive for me to be able to say that, on balance, Nationwide must have acted unfairly or made a mistake in 2008 when it gave Mrs M2 access to the account. Ultimately, it seems like Mrs M1 wants Nationwide to provide detailed records from nearly 18 years ago and views its inability to do so as a failing. But my decision here has to be independent and impartial and where Nationwide is unable to provide those details - and has good reason for not being able to do so - I don't think it is acting unreasonably.

Any concerns about fraud should be reported to the police, and I would expect Nationwide to co-operate fully with any investigation.

I have also considered whether Nationwide treated Mr N fairly once concerns were raised in 2025. I am satisfied it did. When it became aware of potential safeguarding issues and concerns about Mrs M2's authority, Nationwide promptly restricted the account to protect Mr N's money. And recognising the practical impact this could have, it also set up a mandate so that essential bills and payments continued to be made.

Overall, I consider that Nationwide acted fairly and took reasonable steps to protect Mr N.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 7 May 2026.

Susan Webb
Ombudsman