

## **The complaint**

Mrs E complains that Nationwide Building Society ('Nationwide') unfairly placed a block on her accounts and has not allowed her to add a new payee to one of her accounts.

## **What happened**

The details of this complaint are well known to both parties, so I will just provide an overview of key events here.

Mrs E had an account with Nationwide. She attempted to make a payment transfer from her account in order to purchase gold pieces but Nationwide flagged the payment for additional security checks and blocked Mrs E's accounts. Nationwide asked Mrs E to provide specific information about the purchase. Mrs E complained to Nationwide about the block.

Nationwide responded to Mrs E's complaint. It said it had not made any error with regard to placing temporary blocks on her account and review time scales. It said the checks it was making were a routine part of its compliance and verification processes.

Nationwide then removed the block on Mrs E's accounts after five working days but declined to add the individual seller as a payee on Mrs E's account.

Mrs E contacted Nationwide again about her complaint and added that she was unhappy about communications she received from it after the block was removed from her accounts.

Nationwide told Mrs E these were automated emails and offered her £50 by way of an apology for these communication issues. With regard to the blocks, the fraud team confirmed these were added correctly to the accounts and were in line with its terms and conditions.

Mrs E remained unhappy and so brought her complaint to this Service. She told us this matter caused her a great deal of stress and she felt she lost the opportunity of a small but profitable investment.

Our Investigator did not uphold Mrs E's complaint and so this came to me for a 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.

I know that Mrs E feels very strongly that Nationwide should not be allowed to take steps to block her sending her money to whomever she chooses. So it is important for me to emphasise here that banks and building societies, as businesses regulated by the Financial Conduct Authority, have an obligation to try and keep their customers' accounts safe and prevent fraudulent transactions. This means that Nationwide must have systems in place to look out for unusual transactions or other signs that might indicate that its members were at risk of fraud (amongst other things). And in some circumstances, it is required to take

additional steps, or make additional checks, before processing a payment to help protect its members from the possibility of financial harm.

I can see that Nationwide takes steps to let its members know in advance that these checks might happen. Its terms and conditions let its members know that there may be times when it stops payments being taken from members' accounts. Specifically, Nationwide says in its terms that payments may be stopped for *'legal or regulatory reasons'* as well as if there are *'security or fraud concerns'*.

This means that Nationwide is obliged to look into any payments that its automated systems flag as being in some way unusual or out of the ordinary. In this case, Mrs E was attempting to send a relatively large payment to a new payee, so I think Nationwide acted in a fair and reasonable way when it decided to carry out additional checks in relation to the payment.

I have then considered how Nationwide dealt with this matter after it blocked Mrs E's accounts and whether it treated Mrs E in a fair and reasonable way during that process.

Again, it might be helpful for me to say here that, as we are not the regulator, this Service cannot tell Nationwide how it should operate its systems or processes – such as what additional information it asks members to provide once an account is blocked. We offer an informal dispute resolution service and we have no regulatory or disciplinary role. But I can comment on whether I think the information requested was reasonable, insofar as it was information that a consumer can reasonably provide. And I'm satisfied it was.

I say this because the information Nationwide requested was connected to the purchase Mrs E was trying to make and I can see how Nationwide would have considered these pieces of information necessary in order to carry out its checks. I know that Mrs E did not have a particular piece of information to hand, and she said she would have needed to travel some distance to get it. So while this would clearly have caused her some inconvenience – if she had opted to get this piece of information – I do think that there are times when security will be the higher priority than convenience. And I'm satisfied this was one of those occasions.

In my experience, while the information requested can vary on a case by case basis, the process Mrs E went through is the process that Nationwide operates for all of its members and I have not seen anything to make me think that Mrs E was treated differently to any other Nationwide member going through the same process.

I can see that Nationwide also told Mrs E that while her accounts were blocked, she would still have access to her funds and that she could visit a Nationwide branch to withdraw money to help her meet day to day living costs. I can also see that Nationwide took five working days to unblock Mrs E's accounts, so I'm satisfied that Nationwide dealt with this matter in a timely way and ensured Mrs E had some access to money while the checks were being carried out.

I know that Mrs E remains dissatisfied that she cannot add the seller onto her payee list but, as I mentioned above, it is not for this Service to tell Nationwide how to operate its systems or processes. So, although I know this will disappoint Mrs E, I am not going to interfere with the decision Nationwide has made here.

Mrs E did offer to make the purchase in question entirely at her own risk. But Nationwide's duty to protect its members, and indeed itself, and to fulfil its regulatory obligations cannot be put to one side in this way. Once a transaction has been flagged for further checks, Nationwide needs to carry those out regardless of whether a member says they would take on all of the risks attached to the purchase.

When Nationwide responded for a second time to Mrs E's complaint, it offered her £50 compensation because of several automated emails sent unnecessarily by its fraud team to Mrs E. I do not think these emails caused Mrs E any notable distress or inconvenience – I think it's fair to say that the security checks themselves were what caused her frustration and stress – and so I think the compensation of £50 already offered here is fair.

I know my decision will disappoint Mrs E, but I think Nationwide has acted in a fair and reasonable way in relation to the block it placed on her accounts and I am not asking it to take further action here.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 25 February 2026.

Martina Ryan  
**Ombudsman**