

The complaint

Mr C complains that when he visited a branch of Nationwide Building Society ("Nationwide") to change a £20 note into coins he was told due to the money laundering procedures, he was required to pay money into his account and then withdraw it. Mr C felt he was being accused of money laundering.

What happened

Mr C held a bank account with Nationwide. Mr C visited a branch of Nationwide on 3 September to change a £20 note into coins. Mr C was told he couldn't do this without paying the money into his account first due to money laundering procedures.

Mr C was unhappy with this as he felt he should be able to swap notes for coins without having to be put through an account and provided this feedback to Nationwide. Nationwide explained it is not allowed to swap notes/coins as it has to put it through an account as a cash credit/withdrawal as per the policy it has in place to combat money laundering. Nationwide says the cashier followed the correct process but that it would record his concerns as feedback.

Nationwide then wrote to Mr C on 16 September explaining despite the frustration Mr C felt during his visit, it deemed Mr C had acted in a way that was aggressive and not acceptable. Nationwide asked that Mr C be mindful of its staff and how he speaks to them during future interactions. Nationwide said any further reported incidents of unacceptable behaviour towards staff members may result in a revised course of action being considered.

Mr C was unhappy with this, he says he's since been banned from branches of Nationwide and that his account has been closed and so has brought his complaint to this service. One of our adjudicators looked into Mr C's concerns and reached the conclusion that Nationwide hadn't done anything wrong in informing Mr C about its money laundering procedures. They didn't think this was a personal attack as it was a procedure that applied to any customer trying to change cash at the till.

Our adjudicator hadn't seen any evidence that Mr C had been banned from Nationwide's branches or that his account had been closed, but this is something Nationwide would be entitled to do within certain circumstances.

Mr C disagreed with our adjudicators view - he wants an apology from Nationwide and compensation and has asked for an ombudsman's 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.

My role is to look at the problems Mr C has experienced and see if Nationwide has done anything wrong or treated Mr C unfairly. If it has, I would seek – if possible - to put Mr C back

in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Mr C is unhappy Nationwide wouldn't exchange his notes for coins without running the transaction through his account. But this is a policy of Nationwide's that has been put in place to combat money laundering and applies to all Nationwide's customers and as such I don't think Nationwide made a mistake in insisting that its policy was followed.

Furthermore, I've listened to the recording taken by Mr C when he says he visited Nationwide to make the transaction in question on 3 September. Throughout the recording I can hear Nationwide's teller trying to explain its procedures in relation to money laundering regulations and why they are necessary. At no time was Mr C accused of being a money launderer and throughout the recording I find Mr C to be confrontational and difficult. Despite this the teller assisted Mr C with the transaction he wished to make and then due to Mr C's behaviour he was asked to leave.

Nationwide followed this visit up with a letter explaining that the behaviour Mr C exhibited was not acceptable and if he wasn't mindful of this in future further action may be taken. And based on the recording I heard, I don't think this was an unreasonable response or that Nationwide have treated Mr C unfairly.

I understand that there have been further the interactions between Nationwide and Mr C since he raised his complaint with Nationwide about this incident. And I can see from Nationwide's internal contact notes that from 1 February 2023 an immediate ban from branches was applied and that due to verbal and aggressive behaviour Mr C's accounts were to be closed with 60 days notice.

While the ban of Mr C from branches and the closure of his accounts is a separate complaint and outside the remit of this decision, Mr C should note as a general rule Nationwide isn't obliged to continue offering an account to a customer if it doesn't want to – providing banking facilities and to who is a commercial decision and not something for me to get involved with.

That being said it wouldn't be fair for Nationwide to close Mr C's account without reason. Mr C has provided evidence to suggest that the behaviour that Nationwide had warned Mr C about has continued. So based on what I've seen I don't think imposing a ban and closing Mr C's accounts would've been an unreasonable course of action for Nationwide to take.

And it follows that I do not uphold Mr C's complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 November 2023.

Caroline Davies
Ombudsman