

The complaint

Mr G complains that Nationwide Building Society restricted his account without a reason. He would like access to his funds and compensation.

What happened

The facts which led to Mr G bringing his complaint to our service are well known to both parties, so I am not repeating them in full here

In summary Nationwide blocked Mr G's account. He was asked to provide documents to show proof of entitlement to funds. Mr G did so but Nationwide have not unblocked the account. Mr G has complained of lack of communication from Nationwide and incorrect information. At the time of writing the account remains blocked.

Nationwide have said they will be closing Mr G's account.

Mr G has told us the impact of the block is that he has been unable to pay for medical treatment for himself and a family member. He's been unable to work, and the restrictions has affected his physical and mental health.

Our investigator concluded that Nationwide was acting in line with its legal and regulatory obligations. And that their review was still ongoing and is active. No delays have been identified. He said they were entitled to decide to close Mr G's account. The investigator said Nationwide had been updating Mr G when he contacted them but as the investigation is ongoing there is not much they can tell Mr G. He thought it was fair for Nationwide to require an itemised cost of the medical expenses before they could consider releasing any funds.

Mr G was unhappy with the view. He said the investigator had overlooked his vulnerable medical condition. He thought the investigator's conclusions were flawed and unfair.

As there was no agreement the matter has come to me to decide.

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 would like to thank Mr G for all the thorough documentation he has provided this service especially at a time when things have been difficult for him professionally and personally. I'm also aware that I have summarised the events in this complaint in far less detail than the parties and using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I would like to reassure Mr G that I have looked at all the information he has provided in detail. And if I don't refer to particular information in my decision that doesn't mean I haven't

looked at it. I've considered all of the information, but I don't believe it's necessary to address each and every point that Mr G has made in order to meet my statutory duty to determine his complaint. I'm required to do that with minimum formality, and so I'll address the issues that I consider to be the most important. I do stress however that I've considered everything that Mr G and Nationwide have said before reaching my decision.

Mr G's main concern is that his account has been blocked since 23 March 2023 and he hasn't had access to his funds. Mr G has told us he has provided a lot of information to Nationwide to satisfy their enquiries regarding the source of funds in his account so he can't understand why they won't unblock his account and allow him access to his funds.

I'll start by setting out some context for the review of Mr G'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. I know that Nationwide originally asked Mr G for proof of entitlement to a payment of £800 into his account. Mr G provided some information. Nationwide then requested further information regarding the funds in Mr G's account. I am satisfied Nationwide were complying with these obligations when they initiated the review of Mr G's account and asked him to provide more information.

Mr G's concern is that the review is still ongoing, and he's had no access to funds since March 2023. I have looked at the actions of Nationwide in particular whether they have caused unnecessary delay in the review of Mr G's account. Having looked at the information provided to me by Nationwide I'm satisfied that Nationwide haven't caused any unnecessary delays and their review is still ongoing. I appreciate Mr G has mentioned that some of the staff have been on holiday during the review period and he thinks that staff at Nationwide haven't done anything for quite some time but are keeping his account blocked because of inefficiencies or delays. I'd like to reassure Mr G that is not the case. Unfortunately, there is no time scale for account reviews and in some instances, reviews can take time to complete. This is such a case. I appreciate this will be extremely frustrating to Mr G but from what I've seen Nationwide are progressing the review as I would expect, and I am satisfied there have been no undue delays.

Mr G has complained that Nationwide won't give him access to funds in his account for living and medical expenses. Traditionally a bank will allow a customer access to benefits or wages in these types of review. However, I note that Mr G isn't on benefits and his income isn't derived from wages but from business. I can see why Nationwide couldn't give Mr G access to funds. I note that Mr G has been helped by family and friends with day to day living expenses.

Mr G has told us of his worsening medical conditions and of how the block on his account has caused him a great deal of mental stress, anxiety and suicidal thoughts. In addition, he has mentioned his family relative, who he helps with medical bills is unable to receive medical treatment whilst the account is blocked. I am deeply sorry for all these issues which Mr G is suffering.

I note in the correspondence that Nationwide offered to give access to some funds for medical expenses. Mr G has provided Nationwide with a treatment plan. Nationwide asked for more specific information about medical expenses like essential prescriptions which they would consider releasing limited funds for if Mr G provided medical evidence. I note Mr G was unhappy with this and said he wanted access to all his money not just some of it. Nationwide have agreed to allow Mr G access to £250 to cover the cost of his prescription medication.

Although I appreciate the frustration Mr G was experiencing, I can see that Nationwide were trying to help Mr G within the context of complying with their legal and regulatory obligations. I don't think they have acted unfairly here.

Mr G has complained that Nationwide haven't kept him informed of what has been happening with his account and the progress of the review. More importantly when he could expect access to his funds. I have looked at the information provided in particular the notes of calls and email provided to me by Mr G. I can see that Mr G was aware of what was happening as he was contacting Nationwide regularly. From Nationwide's point of view, they are not able to provide an update to Mr G other than that the review is ongoing. I can see that Mr G would want daily or even hourly updates. I can imagine this is extremely stressful for Mr G, but I can't say that Nationwide haven't kept him informed.

The investigator thought Nationwide shouldn't ask Mr G for information that he had already provided, and I agree but I'm satisfied this hasn't caused delays in the review of Mr G's account.

I know that Mr G will be deeply disappointed and upset with my decision but having looked at the information available to me I'm satisfied that Nationwide were entitled to review Mr G's account. The review is still ongoing, and I can see Nationwide haven't caused delays and they are progressing things as I would expect. Nationwide are entitled to hold on to Mr G's funds whilst they carry out the review of his account.

My final decision

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 October 2023.

Ombudsman