DRN-5643278

## The complaint

Mr B is unhappy with Nationwide Building Society. Nationwide fraud alerts were triggered by a payment from Mr B's account and after this payment went through his account was blocked. Mr B tried to make another payment later that day for a travel visa abroad and that was blocked meaning he was unable to travel.

## What happened

Mr B was unhappy and said Nationwide had ruined his long held travel plans by blocking the travel visa payment. He would like his flight costs paid for and compensation.

Nationwide accepted some mistakes were made. It referred to an afternoon telephone call on 22 August 2024. It said this call caused some confusion and offered £50 compensation as an apology. But in terms of the account restrictions it said correct policy and process had been followed and it hadn't done anything wrong.

Mr B remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said Nationwide confirmed a transaction was flagged by its security system and placed the restriction until it had spoken with Mr B. She accepted Nationwide had acted appropriately. Our investigator recognised this caused travel disruption for Mr B but didn't think Nationwide had done anything wrong. She noted in Nationwide's terms and conditions it cannot be held liable for losses incurred due to placing an account restriction. Our investigator said Nationwide didn't need to refund Mr B's travel costs. She accepted Nationwide had offered £50 compensation for the confusing telephone call and said that was a fair offer.

Mr B didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

Mr B made points about where he made the purchase that Nationwide considered might be fraudulent. He noted the amount of people purchasing from the same place as him would be huge, so it made no sense to him for Nationwide to have seen this purchase as a fraud trigger.

Mr B said he got no notification, and he said Nationwide told him it could block his account without any notification. Mr B said he got the impression there wasn't any substance to Nationwide's complaint handling when he raised a complaint. It just said he should contact this service.

Mr B said he arrived at the airport around 7.30am on 22 August 2024. He said the visa could be downloaded to his phone in about 10 minutes, completed and paid for. He said he spent over an hour with airport staff trying to get the visa paid for. He said nobody at the airport could see a reason why he couldn't make the payment. Mr B reiterated he had no notification on his phone telling him his account was blocked.

Mr B said his expenses he wanted refunded by Nationwide were £480 for a new ticket to travel two days later. And £100 for the taxi fare he paid for his return trip between his home and the airport on 22 August 2024. Mr B wanted $100 for the cost of the taxi for his revised trip as he was two days late family couldn't now pick him up. He concluded he should get £400 for the two lost days of his trip too as he couldn't get that holiday time back.

Mr B said he wasn't alerted to the block on his account until after 9am on 22 August.

Nationwide did review the transaction that triggered the account restriction. But it confirmed the transaction breached one or more of the rules Nationwide has in place to protect members and account holders from fraudulent activity.

It continued *"If activity on your account meets one or more of the security rules we grade transactions against, your account will be placed into a secure state until we are able to confirm the transactions are genuine. I am afraid I am unable to share anymore information with you regarding these rules as we need to protect our fraud system from manipulation."*

I noted later in the complaint discussions Mr B was very concerned the payment that triggered the account restriction did go through and complete. On this Nationwide said *"Although the payment in question managed to go through, we still held concerns that your account was being used fraudulently, so I cannot agree it was incorrect to place the restriction to stop any potential fraud from happening. This action is not only one of our legal and regulatory responsibilities, but allowable under the terms and conditions you agreed to."* So, I think Nationwide answered that.

Within Nationwide's investigation it said about the morning call on 22 August Mr B had confirmed he had a message telling him his card was restricted. It continued that its system notes showed a message was sent to Mr B at 02:40am around the time he was making the initial transaction that set off the fraud alerts. Again, it said this was in line with correct process. In view of this it said Mr B could have contacted it to remove the restriction, as per the communication it had sent to him.

I accept Nationwide's point about its regulatory requirements and responsibilities. It does need to work within certain criteria to ensure it protects customers money and itself. So, I can't say it acted unfairly or unreasonably when it placed a restriction on the account.

I can understand the point Mr B made about the number of purchases from the same place as him. But Nationwide said it couldn't specify things that trigger its fraud processes, and I accept that. It doesn't need to give any specifics of what has set off the fraud alert.

Nationwide said and recorded on its system that attempts were made to call Mr B when the fraud alert was triggered. Mr B didn't accept this and said there was no record on his phone of any attempts to call him. Nationwide also said text messages are automatically sent when the fraud alert happens. Nationwide has sent its record log to show these calls were attempted.

Overall, I don't think there's any evidence to show that Nationwide was wrong to place the restriction on the account and I don't think it's responsible for transactions attempted while the restriction is in place. I accept the restriction placed on the account was in line with the account terms and conditions that Mr B signed up too. I think Nationwide acted fairly and reasonably.

It agreed the £50 apology as compensation after reviewing the afternoon call on 22 August and sent this to Mr B's account. Nationwide's records said the call had confusing and contradictory information which was passed on to Mr B. I agree the call didn't give Mr B the service he should be able to expect. But I think the £50 compensation paid for this was fair and reasonable in relation to that call.

Mr B suggested he may take matters with Nationwide to court if he didn't get the decision he wanted from this service. I can confirm Mr B is perfectly entitled to take Nationwide to court if he declines to accept this decision.

Mr B has also recently stated he wants his original terms and conditions. But that wasn't part of his original complaint and along similar lines to his unhappiness with the way Nationwide handled his complaint this isn't something that I can look into and make a finding on. Complaint handling isn't a regulated activity, and any later new issue Mr B has raised about his original terms and conditions is a point he would need to take up with Nationwide first.

## My final decision

I don't uphold this complaint.

I make no further award against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 August 2025.

John Quinlan
**Ombudsman**