

The complaint

Mr K has complained that Nationwide Building Society (“Nationwide”) changed the travel insurer on his Flex Plus packaged account, but says he was unable to contact the new insurer regarding his cover.

Mr K has also complained that Nationwide failed to sufficiently draw a particular limitation of the new insurer’s terms and conditions to his attention.

What happened

In December 2023, Mr K upgraded his account to a fee-paying Flex Plus account. One of the benefits it provides is travel insurance.

Mr K purchased an upgrade with the travel insurer in January 2024, which expired on 29 January 2025. After Mr K purchased the upgrade, Nationwide took the decision to change the insurer that provides the Flex Plus travel insurance. This change came into effect in May 2024.

However, as Mr K had already purchased a 1-year upgrade with the existing insurer, Nationwide confirmed that Mr K’s Flex Plus travel insurance would continue to be provided by the existing insurer up until the upgrade expired, after which he’d then be covered by the new insurer.

Mr K says he was planning to go on an extended trip, starting in early January 2025. As this trip would continue into the period when the new insurer would cover Mr K, he wanted to purchase an upgrade with the new insurer, but he says that he had difficulties doing so.

In summary he says he called Nationwide and the new insurer many times in December 2024. It was established that the new insurer was unable to do anything for Mr K, as it hadn’t yet been passed his details from Nationwide, and would not have them until early January 2025. Mr K says this caused him significant inconvenience and led to him having to rearrange his plans.

Mr K also became aware that it was a requirement of the new insurer, that a return ticket must be booked for trips to be covered. Mr K says that Nationwide had failed to draw this term to his attention.

In response to Mr K’s complaint Nationwide issued its final response on 17 January 2025 and upheld the complaint. Nationwide explained that it had been unable to provide the new insurer with Mr K’s personal details earlier, due to its data protection requirements. Nationwide acknowledged that Mr K had made a number of calls about the matter and so paid him £100 compensation for the inconvenience he incurred.

After Mr K referred his complaint to this service, one of our investigators assessed the complaint and they upheld the complaint, and recommended that Nationwide pay Mr K a further £100 for the distress and inconvenience caused to him.

Nationwide accepted the investigator’s assessment. But Mr K didn’t, so the complaint was referred 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.

We've explained our approach to complaints about packaged bank accounts on our website and I've used that to help me decide this complaint. Having reviewed everything, I uphold this complaint for broadly the same reasons that the investigator gave. I will explain why.

Mr K has complained that he was unable to set up cover with the new insurer until around the time that he wanted to depart for a long overseas trip. And given that Mr K's upgrade with the existing insurer ended in late January, I understand the predicament he was in. Indeed, the change of insurer and his planned departure date were very unfortunate timings, given that Mr K needed to purchase an upgrade from the new insurer, yet he couldn't do that until the new Insurer had been given his details by Nationwide.

I can see that Mr K contacted Nationwide and Aviva many times, often without getting a clear answer on what was happening, to try and resolve matters and I accept he did experience a fair amount of inconvenience and stress. Nationwide says that it couldn't inform the new insurer about Mr K being covered until just under a month before it would cover him, as part of its obligations under the data protection regulations. Whereas Mr K says that Nationwide could've, with his permission, informed the new insurer so that he could purchase an upgrade earlier than he otherwise would be able to. Mr K also says that staff often lacked an understanding of the changes being made to the travel insurance and Mr K felt like he was being passed from pillar to post, without getting a straight answer on what should be a fairly straight forward matter. In the circumstances, I can understand that this must've been very frustrating for Mr K, especially as he wanted to plan a trip away and there was a lot of uncertainty for him whether he'd be covered by the new insurer.

Having considered what happened to Mr K, and the inconvenience and stress that Mr K says he incurred, I do think the extra £100 recommended by the investigator is fair. I think a total award of £200 for the inconvenience Mr K was caused is reasonable in the circumstances, as ultimately, I think that Nationwide could've handled Mr K's queries better.

I appreciate that Mr K wants more compensation than this. Mr K says that he had to rearrange his travel plans, as he was told that the new insurer would only have his details from early January 2025, and so he chose not to travel until later on in January 2025. Mr K says that this resulted in him having to pay more to the new insurer when purchasing the trip limit upgrade. However, Mr K was made aware, when planning his trip in December 2025, that he wouldn't know until early January 2025 whether he'd be able to obtain an upgrade with the new insurer or not. And so, if Mr K was unhappy with this, but didn't want to change his travel plans, then he could've arranged cover through another provider instead.

As well as being unhappy that he couldn't contact the new insurer until early January 2025, Mr K is also unhappy that Nationwide didn't draw his attention to the new insurer's requirement that policy holders have a return ticket booked. The new insurer of the Flex Plus travel cover is responsible for terms and conditions of the policy. So I can't hold Nationwide responsible for the new insurers decision to include this provision in their terms and conditions.

But that being said, Nationwide was acting as an insurance intermediary. That means that it was required to provide Mr K with the relevant documents about the Flex Plus benefits. This included notifying Mr K of the change of insurer, ensuring that key terms were drawn to his attention and providing Mr K with the relevant policy documents.

Mr K says that the return ticket requirement is a key term and says that Nationwide failed to draw it to his attention beforehand. However, even if I accept that is a key term and that Nationwide had failed to do that, I can see that the new insurer had written to Mr K on 3

January 2025 i.e. before his existing upgrade had expired and clearly explained that was the case. Therefore, Mr K was made aware of this requirement before he'd arranged an upgrade with the new insurer. So again, if Mr K felt that the policy wasn't suitable for his particular circumstances because of that requirement, he was free to downgrade his Flex Plus account or seek alternative cover elsewhere.

Putting things right

So to put matters right for Mr K, Nationwide should pay Mr K a further £100 for the distress and inconvenience caused to him by this matter.

Doing this will mean that Nationwide will have paid Mr K a total of £200 in compensation in relation to this complaint.

My final decision

Because of the reasons given above, I uphold this complaint and require Nationwide Building Society to do what I have outlined above, to put matters right for Mr K.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 28 October 2025.

Thomas White
Ombudsman