

The complaint

Mr and Mrs R have complained that Nationwide Building Society (“Nationwide”) changed the insurer that provides the travel insurance through its Flex Plus packaged bank account.

Mr and Mrs R are unhappy that the new insurer has charged them significantly more to upgrade the travel cover, than they were charged on previous occasions.

What happened

In April 2025, Mr and Mrs R applied to purchase an upgrade on their Flex Plus travel insurance and were quoted £257.07. As this was significantly more than they were quoted for a similar trip limit extension upgrade previously, Mr and Mrs R complained to Nationwide.

Nationwide issued its response to the complaint on 20 May 2025 and didn’t uphold the complaint. In summary, Nationwide said that the travel insurer is responsible for calculating how much to charge for upgrades to the travel cover and so it (Nationwide) could not be held responsible for the amount they were charged.

After Mr and Mrs R referred their complaint to this service, one of our investigators assessed the complaint and they didn’t uphold the complaint either.

As Mr and Mrs R didn’t accept the investigator’s conclusions, the matter 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 accounts on our website and I’ve used that to help me decide this complaint. And having considered everything, I don’t uphold this complaint. I will explain why.

Mr and Mrs R say that, as they pay the monthly Flex Plus packaged account fee to Nationwide, then Nationwide should be held responsible for the actions of the insurer. They say this is the case because their contract of insurance is with Nationwide and not the insurer.

The contract to provide the Flex Plus current account is indeed with Nationwide. But when it comes to the travel insurance included with the account, Mr and Mrs R’s contract is in fact with the insurer. Nationwide (in providing the insurance through its Flex Plus account) is acting in the capacity as an insurance intermediary.

This is reflected in the Flex Plus travel insurance terms and conditions which say:

“Nationwide acts as an intermediary for the insurance products provided with the Nationwide FlexPlus current account. FlexPlus Worldwide Family Travel insurance is underwritten by [name of insurer] on behalf of Nationwide Building Society.”

As an intermediary, of course Nationwide does have some responsibilities regarding the travel insurance provided through its packaged account. For example, it was required, when selling the packaged account to Mr and Mrs R, to provide them with clear, fair and not misleading information about the insurance, so that they could make an informed decision

about whether it met their needs or not. Nationwide is also required to give account holders reasonable notice when changes are being made to the Flex Plus account. And it is required to send annual eligibility statements to Mr and Mrs R each year as well. But assessing underwriting risks and deciding how much to charge in additional premiums for such risks is the responsibility of the insurer. This is reflected in the Flex Plus travel insurance policy where throughout the policy, 'we', 'us' and 'our' refers to the travel insurer, rather than to Nationwide.

Therefore, I'm satisfied that what Nationwide and the investigator have said is reasonable - that if Mr and Mrs R are unhappy with the amount that the insurer charged them to purchase an upgrade to the travel insurance cover, Mr and Mrs R would need to take this up directly with the insurer.

As such, in the circumstances I can't reasonably hold Nationwide responsible if Mr and Mrs R are unhappy with the amount that the insurer wanted to charge them to upgrade their cover.

I note that Mr and Mrs R say that Nationwide chose the current insurer to provide the insurance included as a feature under the Flex Plus account. However, it is beyond the remit of this service to dictate to financial businesses how they should operate or whose products they choose to provide. As such, whilst I fully appreciate Mr and Mrs R's dissatisfaction with the amount they were charged to upgrade their cover - especially given how much more it was compared to previous occasions - I can't say that is something that Nationwide is responsible for.

My final decision

Because of the reasons given above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 6 October 2025.

Thomas White
Ombudsman