

The complaint

Mr D complains about the actions and service provided by Nationwide Building Society when it stopped a payment he wanted to make whilst he was overseas and blocked his account.

To put things right, Mr D wants more compensation than Nationwide has offered.

What happened

In April 2025, Nationwide blocked Mr D's account following his attempt to make a four-figure investment via online banking whilst he was overseas.

After Mr D returned to the UK, he was able to satisfactorily answer questions put to him by Nationwide's fraud team about the payment and the account restrictions were lifted. But Mr D was upset that the delay in being able to invest meant he'd missed out on investment gains. And he said that not having access to money in his account had been problematic for him when his Nationwide account was his only source of funds whilst abroad.

When Mr D complained about what happened, Nationwide didn't agree it had done anything wrong when it blocked his account. It said this was done in line with the account terms and conditions to protect Mr D's money from potential scams.

But Nationwide acknowledged that it hadn't done enough to try and contact Mr D by phone when it had blocked his account and offered Mr D £100 compensation by way of apology.

Our investigator thought this was a fair way to resolve the complaint.

Mr D disagreed, saying he felt this amount was inadequate. Mr D asked for an ombudsman to review his complaint, so it comes 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.

This includes listening to call recordings provided to me.

Having thought about everything, I've independently reached the same overall conclusions as our investigator. I'll explain my reasons.

Nationwide has legal and regulatory obligations it must comply with. This means Nationwide is required to have processes in place to keep customers' money safe and prevent fraud. Sometimes this might mean that Nationwide identifies and blocks a legitimate payment and applies further account restrictions. When this happens, it understandably causes inconvenience. But it doesn't necessarily mean Nationwide acted incorrectly or unfairly.

Nationwide flagged the investment payment for further security checks which is why Mr D's account was blocked. Nationwide's terms and conditions, which Mr D would've signed up to in order to be able to use the account, allow Nationwide to stop payments and block accounts in these circumstances.

Although Mr D was investing in a recognised investment business regulated in the UK, and he'd logged into his account and completed initial security and verification before he attempted to authorise the payment, this doesn't mean that Nationwide didn't need to carry out further security checks itself. Nationwide could see that Mr D had started and then abandoned a loan application the previous day for the same amount he wanted to invest. And Nationwide had no record of Mr D investing with this company. So I can understand why Nationwide felt it was necessary to speak to Mr D before authorising the payment.

I appreciate that having his account blocked was inconvenient for Mr D. But once Nationwide had the information its fraud team needed, it acted promptly to remove the account restrictions.

Mr D said Nationwide had promised to get in touch by email to sort things out as he couldn't receive or make voice calls from his overseas location – and this hadn't happened. I can understand this would've been frustrating and I only have limited information about the messages Mr D exchanged with Nationwide online via web chat. But Nationwide has said it wouldn't in any event have been able to contact Mr D via email just in case his email address or phone had been compromised, and it would always have needed to speak to him to take him through security to verify his identity.

So I can't fairly hold Nationwide responsible for Mr D's investment loss when:

- it acted fairly and reasonably when it blocked his account, and
- it wasn't Nationwide's fault Mr D wasn't able to speak to Nationwide at the time due to him being overseas – which was the only way his account could've been unblocked.

But Nationwide still needed to treat Mr D in a fair and reasonable way overall – and Nationwide said it fell short of providing a reasonable level of customer service to Mr D when it failed to follow through its contact process when it tried a couple of times but couldn't reach Mr D on the phone.

As Mr D told us he was unable to make or receive international voice calls at his overseas location, I think this probably explains why Nationwide was only able to contact his voice messaging service when it tried phoning him. But it's clear that there were some communication failings when the subsequent web chat exchange left Mr D unclear about what needed to happen to resolve the account block.

The £100 payment Nationwide has offered to pay by way of apology for this seems fair to me in all the circumstances. I haven't seen or heard enough to make me think it would be fair to require Nationwide to do more than this. This amount matches the level of award I would make in these circumstances had it not already been proposed. It is in line with the amount this service would award in similar cases and it is fair compensation for Mr D in his particular situation.

I hope that setting things out as I've done helps explain how I've reached my decision.

Putting things right

Nationwide should pay Mr D £100 compensation, as it has offered to do, to reflect the impact on him of its admitted poor service.

My final decision

My final decision is that I uphold this complaint and direct Nationwide Building Society to take the steps set out to put things right for Mr D.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 17 December 2025.

Susan Webb
Ombudsman