

## **The complaint**

Mr M is unhappy that Nationwide Building Society restricted his account and with the service he's received from Nationwide surrounding this.

## **What happened**

Mr M was overseas and found that Nationwide had blocked his card because they were concerned about potential suspicious activity. Mr M called Nationwide and was told that he needed to speak with the fraud team to remove the restrictions on his account.

Unfortunately, at that time, all members of the team were busy, and Nationwide could only arrange a callback on Mr M's UK mobile phone number, which wasn't functional while Mr M was overseas. This resulted in Mr M being unable to remove the restrictions on his account. Mr M wasn't happy about this, so he raised a complaint.

Nationwide responded to Mr M but didn't feel that they'd done anything wrong by following the processes that they had. Mr M didn't agree, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Nationwide had acted unfairly and so didn't uphold the complaint. Mr M remained dissatisfied, so the matter was escalated 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.

In his submissions to this service, Mr M has raised several points of a regulatory nature. I'd therefore like to confirm that this service isn't a regulatory body or a Court of Law and doesn't operate as such. This means that I can't make a decision on whether Nationwide have acted in accordance with regulation or not, because I have neither the remit nor the authority to do so.

What I can decide is whether I feel Nationwide have acted fairly or unfairly towards Mr M, in line with this service's role as an informal, impartial dispute resolution service. And while I take relevant regulation into account when making my decision, such as The Consumer Duty, my decision is ultimately made on the basis of what I, as an impartial party, feel is fair.

I appreciate that it can be frustrating and inconvenient when instructed transactions are flagged for further checks, which usually includes the restriction of an account until those further checks are completed. However, I'm also mindful of the regulatory and moral obligations binding on financial institutions such as Nationwide to have systems in place to protect their customer's money.

Fraud prevention systems are used by financial institutions to meet those obligations. These systems flag activity or instructions that may be of concern and prevent further usage of an account where it's felt that there is a possibility that fraud or a scam may potentially be

occurring. Furthermore, it's incumbent on banks to employ these systems with a degree of vigilance – to err on the side of caution, as it were – which unfortunately means that there will be instances where legitimately authorised transfers are flagged erroneously by the fraud prevention systems.

This can be frustrating and inconvenient for the customer involved. But it doesn't necessarily follow that because some frustration and inconvenience have been experienced that an unfair act has taken place. Instead, it can be the case that an unfortunately necessary amount of frustration and inconvenience may be experienced by an account holder while an account provider such as Nationwide satisfies their account security requirements. And I feel that this is what happened in this instance.

Of course, matters are complicated here by the fact that Mr M was overseas when his account was restricted. In his complaint to this service, Mr M confirmed that he had another credit card with him, which fortunately meant that the impact on him of what happened was mitigated. But I can understand and appreciate that Mr M would have been eager to confirm the legitimacy of the transaction Nationwide had concerns about, so that the restrictions on his account could be removed.

Mr M is unhappy that the only way he could have the account restrictions removed while overseas was by calling Nationwide and speaking with the fraud team. And Mr M feels that, given his circumstances, Nationwide should have been willing to accept confirmation from him that the transaction was legitimate via secure digital means.

But account security is very important to financial institutions, not only regarding how they protect their account holder, but also how they protect themselves. Scams and fraud are increasingly sophisticated, with the perpetrators often attempting to convince a business that the account holder is verifying a transaction when that isn't in fact the case.

Because of this, I feel that it's for Nationwide to decide what they require in order to be satisfied that a transaction about which they have concerns can be authorised and restrictions removed from an account. And I note that a requirement to speak with an account holder is not uncommon, and in consideration of what I've explained, neither do I consider it unreasonable.

It's unfortunate that Mr M was overseas when his account was restricted, which made it difficult for him to comply with Nationwide's requests at that time. But it wasn't Nationwide's fault that Mr M was overseas, and so I feel any frustration and inconvenience Mr M may have incurred because he was overseas is unfortunate, but not unfair.

It's notable that on one occasion, Mr M did call Nationwide, but all members of the fraud team were busy. Again, that's unfortunate, but I feel that Mr M could have called Nationwide back at another time, despite the challenges in doing so, if the matter was important to him. Additionally, the fact that Mr M's UK mobile phone wasn't functional while he was overseas, such that Nationwide couldn't call Mr M back, is regrettable, but again was not something that was in Nationwide's control.

All of which means that I won't be upholding this complaint or instructing Nationwide to take any form of action here. This is because, while I accept that Mr M was frustrated and inconvenienced by what happened, I don't feel that Nationwide acted unfairly. Instead, I feel that what happened was an unfortunate but understandable consequence of Nationwide developing concerns about a transaction that Mr M attempted while overseas at a time when it was regrettably difficult for Mr M to comply with Nationwide's account security requirements.

Finally, it's my understanding that since returning to the UK, Mr M hasn't contacted Nationwide as per their requirements and that his account remains restricted as a result. I can therefore only confirm that I feel that it's for Mr M to adhere to Nationwide's requirements, rather than vice versa, and that I wouldn't expect Nationwide to remove the restrictions on his account until he contacts them as per their requirements.

I appreciate this may not be the outcome that Mr N was wanting, but I hope he will understand, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 February 2026.

Paul Cooper  
**Ombudsman**