

The complaint

Mrs B and Mr S complain about problems they encountered and fees they were charged by Nationwide Building Society for transactions in a foreign currency.

What happened

Mrs B and Mr S had difficulty making a number of payments abroad from their Nationwide FlexPlus account. They'd told Nationwide that they were planning to make a large transaction ahead of time to try to ensure there were no further problems. When it came to making the payments, Mrs B and Mr S encountered further problems. They tried transferring the funds to their Nationwide FlexDirect account in order to make the transactions, and this was successful. This was done whilst on the phone to Nationwide. Mrs B and Mr S later called to find out if there would be any charges for these payments and were told there wouldn't, but this was incorrect.

Charges were applied for all of the transactions, totalling over £2,000, and Mrs B and Mr S complained about this. Nationwide said that during the call when Mrs B and Mr S were having problems making the payments, it had missed the chance to tell them that fees would be charged when using the FlexDirect account. But it said that FlexDirect was a self-managed account, and they should've been aware of any fees as part of the monthly statements and the terms and conditions.

Nationwide also agreed it had told Mrs B and Mr S in a later call that any fees would show on the statements within the payment whereas they actually come out as a separate transaction. But it pointed out that this was after the transactions had been made, so the fees had already been incurred. Nationwide offered a total of £130 compensation.

Our Investigator thought that Nationwide's offer was fair. Mrs S and Mr B didn't agree, so the complaint has been passed to me to make 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.

I've listened to all the calls between Mrs B and Mr S that Nationwide has provided us. The call in question was on 6 March 2025 when Mr S was struggling to make the payment from his FlexPlus account. He asked Nationwide to check whether there was a block, and it confirmed there wasn't. Nationwide also said it couldn't see any request for a transaction coming through at that time.

It was Mr S who suggested that he try his FlexDirect account card rather than the FlexPlus card and not Nationwide that recommended this. He didn't ask for any advice on charges that may be incurred. Whilst I can see why Mr S might expect Nationwide to have proactively offered this advice, I don't agree it was required to. Mr S was seeking help with making a payment, his query wasn't with regards to fees he may be charged. And it was his suggestion and decision to try the FlexDirect account. I also wouldn't expect all Nationwide

agents to know off the top of their head every fee that may be applicable to every account it offers. This was, as Nationwide has explained, a self-managed account. And the various transaction fees were available to Mr S.

Nationwide told Mr S during this call that it couldn't see any requests for the payment he was trying to make, and there was no block on this account. And Nationwide has told us in its submissions that it received no request for transactions on this day. I know Mrs B and Mr S dispute this. But I have to make my decision on the evidence I do have. And I've seen nothing to suggest there was an issue on Nationwide's end or with the card itself.

I note that the merchant trying to take the payment abroad ended up taken the total payment as a number of smaller payments once the FlexDirect account was used. It's possible that this may've worked on the FlexPlus account as well. But I can't see this was ever tried.

It's often the case that for foreign transactions which involve a number of different banks and service providers, all with their own security protocols, there can be problems making this type of payments. In addition to this, the provider of the terminal that provides the chip and PIN transactions will often have a limit of the transaction value it will process. This would likely explain why Nationwide couldn't see any requests for transactions. Unfortunately, we won't know why these payments were unsuccessful. But I can't say on balance that this was due to a Nationwide error.

When Mrs B and Mr S first spoke with Nationwide about making these payments, they were advised to make the payments by the Single Euro Payments Area (SEPA) system to avoid fees being charged. I'm aware that Mrs B and Mr S were told in a branch there could obtain a better exchange rate using chip and PIN payments, so I can understand why they would want to utilise this option given the size of the overall payment. However, they were advised to use SEPA to avoid fees. And they chose not to do so.

Given the significant size of this payment, there was always a chance of issues using chip and PIN bearing mind the various anti-fraud processes in place for transactions such as this. And had Mrs B and Mr S taken Nationwide's initial advice, they wouldn't have encountered these problems or incurred charges.

Mrs B and Mr S have said that Nationwide didn't take into account Mrs B's vulnerability. Nationwide says it has no record of being told about a vulnerability. However, I can't see how Nationwide could've provided Mrs B with more support, whether it knew about her vulnerability or not. It tried to give her sufficient information to support them through the process, checked the card for blocks, and stayed on the phone whilst further payments were attempted. I do not think there was more Nationwide could've done, even taking into account Mrs B's vulnerability.

The mistake I agree Nationwide has made here is telling Mr S in a later call that the fees were included within the transactions when in fact they showed separately. Whilst this must've been frustrating, Mrs B and Mr S had already made the payments by this time. So there was no way of avoiding the fees at this point. I'm satisfied the £130 Nationwide has offered is fair compensation for the frustration this caused. And I'm not going to tell it to do anything further.

My final decision

My final decision is that Nationwide Building Society should pay £130 in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr S to

accept or reject my decision before 5 February 2026.

Rob Deadman
Ombudsman