

## **The complaint**

Mrs W complains Nationwide Building Society (“Nationwide”) placed restrictions on her account in March 2022 which had an effect on her ability to manage her account. She also complains she wasn’t kept updated on the status of her account.

## **What happened**

When this complaint was brought to our service Mrs W and her representative raised additional complaints points in relation to the activity on Mrs W’s account from 2020 to 2022, specifically about transactions she says were not authorised. I cannot consider these complaint points because these points were not included in her original complaint to Nationwide, and so it has not had the opportunity to respond. However, I have outlined the original complaint points above which Nationwide have responded to and my decision will only focus on these points. I understand both parties have been made aware of this already.

Mrs W’s original complaint was that she is unhappy with the block placed on her account and that her online banking access had been taken away. Mrs W also says that following this, she was not kept updated about the investigation into her account and spent a lot of time on the phone to Nationwide trying to get answers.

Nationwide says the block it placed on Mrs W’s account was reasonable and appropriate. It says it had concerns regarding a fraud complaint, and as per the terms and conditions of the account it is within its rights to do so. Nationwide also investigated the customer service Mrs W received and in particular the lack of updates it provided. Nationwide apologised for this and offered £100 compensation.

Our investigator considered these complaint points and decided not to uphold the complaint. Mrs W wasn’t happy with this, so the complaint has been passed to me for a 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.

On 2 March 2022, Nationwide applied a block to Mrs W’s online banking facilities. It says it did this as a result of a suspicious payment into her account. I’ve seen evidence that when Nationwide contacted Mrs W to discuss this payment and the origin of the incoming funds, she was not able to answer simple questions, such as the full name of the payee. Mrs W was asked why she had put the reference of the payment as “car”, but she wasn’t able to give a confident and consistent answer. It appears she was also becoming stressed about the questions she was being asked in relation to this payment. So Nationwide were unsure if the payment was genuine and felt she might be being coerced into making this payment. So, it decided to block Mrs W’s online banking facility. And I think this was reasonable. I say this because this was a payment Mrs W was trying to do online, and it seemed she was being forced into making this payment for someone else. Nationwide were aware that she was abroad at the time, so I think it is fair that it blocked any further online banking activity to protect Mrs W and the money in her account, while still giving her access to her money via

her debit card.

Nationwide has provided evidence that it spoke to Mrs W again on the same day and it seemed someone else was giving her answers to the questions being asked. But neither party would say where the money was from and so the bank continued to have suspicions. Therefore, the block on her account remained. However, as Mrs W was in Turkey at the time and Nationwide seems to have been her main bank, I think it is reasonable that it didn't stop all incoming and outgoing transactions from Mrs W's account. Had it done so, it might have left Mrs W in a vulnerable position and without access to any of her money while abroad. So as the suspicions were only about online banking payments, I think it's reasonable that only her online banking was blocked.

Following this, further transactions were made on Mrs W's account which Mrs W now says were done fraudulently. So, she is unhappy that all incoming and outgoing transactions were not blocked. But as I've said above, Nationwide only had concerns about her online banking activity, and I think being abroad she might have needed to make card payments or withdraw money from an ATM. However, when Mrs W alerted Nationwide to the fact that there were fraud payments done using her debit card, Nationwide took appropriate action to restrict Mrs W's account to a 'branch only' account. This again I think was reasonable to protect Mrs W in the circumstances, while still allowing her access to her money in a safer manner.

Mrs W has also complained about the fact that she hadn't been updated throughout the bank's fraud investigation and she was only given information when she went into a branch. For example, she says she was only told her account was a 'branch only' account when she went into a branch and spoke to a cashier. I've considered this and I think the compensation already offered by Nationwide is fair, I'll explain why.

Nationwide has provided evidence that it had tried several times to contact Mrs W to gather more information for its investigation. However, it struggled to get through to Mrs W. And at times when it did, Mrs W was not forthcoming about her account activity. Nationwide says had Mrs W been available and more open about the information it needed; the investigation would've been quicker. I do appreciate that Nationwide could've kept Mrs W updated with the investigation a bit better, and that she had to spend time and effort calling it and going into branch. So, for that I think £100 is a fair offer of compensation.

So overall, I do not think Nationwide has done anything wrong in response to Mrs W's original complaint. However, I understand another complaint has been set up to consider the transactions Mrs W disputes, and this will be investigated in due course.

### **My final decision**

For the reasons outlined above I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 10 September 2024.

Sienna Mahboobani  
**Ombudsman**