

## **The complaint**

Mr G complains that Nationwide Building Society blocked his debit card without telling him that it was doing so. As a result, he was unable to withdraw cash or make payments.

## **What happened**

In early February 2024 Mr G reported to Nationwide that he thought he had been the victim of an attempted fraud. He had received a telephone call, supposedly from Nationwide, during which he had been asked to generate a security code using his card reader and to give it to the caller. He had been suspicious and had refused to do so. Nationwide confirmed that it had not made the call, but that it had not identified any suspicious or unauthorised activity on Mr G's account as a result of it. It said it would place extra security measures on the account and send Mr G some information about fraud prevention.

Shortly afterwards, on 14 February 2024, Nationwide identified a risk that Mr G's card might have been compromised. Its records show that it arranged for a new card to be sent to him the same day.

On 7 March 2024 Mr G tried to use his debit card at a cash machine and to make a payment. He was unable to do so. He was also unable to access online banking using his card reader.

When Mr G contacted Nationwide to find out why he could not use his card, he was told that it had been blocked as the details had been compromised. Nationwide said that a new card had been sent on 14 February, but that it appeared Mr G was using the old card. It explained that, when a new card is sent, the existing card remains active for three weeks. Mr G had therefore been able to use his existing card for a while, but could no longer do so. Mr G said that he had not received a new card, but was unhappy that Nationwide had not told him through other channels (for example, email or by phone) that a new card was being sent.

A further replacement card was ordered on 7 March 2024, and it appears that Mr G received on or about 12 March 2024. But between those dates he did not have a card he could use, and he had to withdraw cash at a branch.

Mr G complained about what had happened, first to Nationwide and then to this service.

One of our investigators considered what had happened. Initially, he issued an assessment partly upholding Mr G's complaint. He noted that Mr G had been unable to access online banking and concluded this was because Nationwide had blocked it, without good reason and without telling Mr G that it had done so. Nationwide didn't accept the investigator's assessment and provided more information about online access to Mr G's account. As a result, the investigator concluded that the complaint should not be upheld after all.

Mr G did not accept the revised assessment and asked that an ombudsman review the case.

## **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.

Mr G believes – not unreasonably in my view – that there is a link between his call reporting attempted fraud and the issue of a replacement card some 12 days later. Accordingly, he says, Nationwide should have told him that it would be issuing a new card. He would then have known to get in touch when it did not arrive. Nationwide says however that the decision to issue a new card was unconnected with that incident.

I accept what Nationwide says on this point. The incident which Mr G reported was an attempt to change his contact details (in particular, the mobile phone details linked to the account), not to use his card. The card remained in his possession. And if Mr G's report of attempted fraud had triggered a replacement card, it's likely that would have happened immediately, not 12 days later.

I think it's more likely, as Nationwide says, that the need to replace the card was triggered by a separate risk which Nationwide identified or was told about, but which did not immediately affect Mr G's account. Such risks include a card being used at an ATM which has tampered with or a retailer whose systems have been compromised. That would create a risk that the card details might be used in the future, even if there was no immediate attempt to do so.

Card issuers must have systems in place which seek to reduce fraud risk, including the type of risk I have described. And card schemes (in this case, Visa) also have such systems in place. I would therefore expect Nationwide to take steps if it identifies or is told about a point of compromise of card details. In this case it did that by issuing a new card.

It is by no means certain that Nationwide knew the exact nature of any risk which had been identified, since it's likely to have been picked up by a different organisation's security systems. But, even if it did know, I would not expect it to share that information, since that would itself create an additional security risk.

Mr G says that, if Nationwide issued a new card, it should have told him that it was doing so. Nationwide says that it did tell him that in the letter which accompanied the replacement card. I accept however that Mr G did not receive that letter or the new card. Whilst I can understand why Mr G thinks he should have been told by other means to expect a replacement card, I am not in a position to tell Nationwide to change its systems. It had no reason to think that Mr G would not receive the card and explanatory letter in the usual way, and so I do not believe I can fairly say it should have made an exception in this case. If the card had been delivered to Mr G, it's unlikely he would have been concerned by the steps Nationwide had taken.

I turn finally to the issue of online banking. Nationwide's records show that Mr G was able to use online banking until his existing card was blocked three weeks after the first replacement was sent on 14 February 2024. He was able to use it again when he received the second replacement card.

Mr G said when he reported the attempted fraud on his account that he does not use Nationwide's mobile banking app. Nationwide's records show that he accesses online banking using his card and a card reader. So, without an active debit card, he was unable to access online banking. I do not believe therefore that Nationwide blocked his access to online banking, although I appreciate of course that to Mr G the effect was the same. But it was a consequence of his not receiving the replacement card, not of any decision of Nationwide to block or restrict online access.

**My final decision**

For these reasons, my final decision is that I do not uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 24 October 2024.

Mike Ingram  
**Ombudsman**