

## The complaint

Mr C and Miss M have complained about excessive contact and harassment by Nationwide Building Society after their mortgage fell into arrears. They are also unhappy about information recorded on their credit files.

Mr C and Miss M have instructed solicitors to act for them on the complaint, but for clarity I will refer to Mr C and Miss M throughout.

## What happened

I will summarise the complaint in less detail than it's been presented. There are several reasons for this. First of all, the history of the matter is set out in detail in correspondence, so there is no need for me to repeat the details here. I will instead concentrate on giving the reasons for my decision. In addition, our decisions are published, so it's important I don't include any information that might lead to Mr C and Miss M being identified. So for these reasons, I will keep my summary of what happened quite brief.

Briefly, Mr C and Miss M have a mortgage with Nationwide, taken out in 2016. They took a Covid payment break between April and June 2020 inclusive, and a payment break in January 2021 for three months, although this was cancelled by Mr C in February 2021.

In April 2021 a complaint was raised by Mr C and Miss M about the number of calls they'd received from Nationwide. They said this was harassment and had been very upsetting.

Nationwide, in its final response letter, acknowledged that it had agreed a period of breathing space for a month from 9 April 2021, but calls were still made. Nationwide offered compensation of £50 for this.

Mr C and Miss M didn't accept this and instructed their solicitors to raise a complaint with our service. An investigator looked at what had happened. Having done so, he thought the number of calls made between 17 March 2021 and 9 April 2021 was excessive. He was satisfied that Nationwide was aware of Mr C's vulnerabilities and should have taken this into consideration when dealing with the arrears. As a result, the investigator asked Nationwide to pay an additional £150 compensation, bringing the total to £200.

In relation to the credit files, however, the investigator was satisfied that the account was in arrears, and so this was correctly recorded. He noted that Nationwide had offered another payment holiday in January 2021 which would not have impacted Mr C and Miss M's credit files. But he also noted that Mr C had cancelled this in February 2021, as a result of which missed payments were shown as arrears.

Nationwide agreed with the investigator's findings and the increased compensation but Mr C and Miss M did not. They say that Mr C didn't cancel the payment holiday in February 2021, and that the compensation offered is "*derisory*".

Because the matter is unresolved, it falls to me to issue 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.

**Cancellation of payment holiday:** I've looked at the contemporaneous evidence provided by Nationwide. From this I note that Mr C called Nationwide on 11 January 2021 explaining his financial difficulties. Nationwide agreed a 3-month payment break, which was confirmed by letter.

However, Mr C then spoke to Nationwide on 8 February 2021 when he told Nationwide that he wanted the direct debit re-instated for the earliest possible date. Mr C also spoke to Nationwide on 23 February 2021 when it was confirmed that Mr C had cancelled the payment holiday agreed the month before.

From this I'm satisfied that the payment holiday agreed in January 2021 was, in fact, cancelled by Mr C the following month.

**Credit files:** Given what I have said above, I'm also satisfied that Nationwide was entitled to record missed payments on M C and Miss M's credit files after the payment holiday was cancelled, and to show the account as being in arrears. This is a true reflection of the conduct of the account and Nationwide is under an obligation to report the true position to the credit reference agencies.

**Level of calls:** I've looked at the list of calls that were made from March 2021 onwards. Most of these were automated dialler calls where, if not answered, the dialler will call back after an interval. I think Nationwide was, or should have been, aware of Mr C's vulnerabilities and that this level of contact – when he had been trying to engage with Nationwide – was excessive. Consequently, I am satisfied that Nationwide should pay compensation for distress and inconvenience caused by the level of calls.

## **Putting things right**

I don't think the payment of £50 offered by Nationwide is adequate. I think the investigator's recommendation of an additional £150 – so £200 in total – is fair and reasonable in all the circumstances, and proportionate to the period of time involved and the impact on the customers.

## **My final decision**

My final decision is that I uphold this complaint. In full and final settlement I direct Nationwide Building Society to pay Mr C and Miss M compensation of £200 for distress and inconvenience (to include the £50 already offered in the final response letter). I make no other order or award.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Miss M to accept or reject my decision before 28 December 2022.

Jan O'Leary  
**Ombudsman**