

The complaint

Mr and Mrs C complain that Nationwide Building Society treated them unfairly when they were looking to make changes to their mortgage.

What happened

Mr and Mrs C contacted Nationwide to make changes to their mortgage with a view to fix it for a longer period of time as they were concerned about rising interest rates. To do this, Nationwide needed Mr and Mrs C to speak with one of their specialist mortgage advisers as they were looking to take out a retirement interest only mortgage.

This call was scheduled for over 2 hours and involved the adviser needing to ask a number of questions about Mr and Mrs C circumstances, including their financial commitments and savings. Mr and Mrs C feel the adviser focused too much on their savings and asked questions which amounted to bullying and intimidation. The call needed to be paused while the adviser then spoke to their manager to check whether, without the information requested on the savings, that the application could continue.

The application did continue and Mr and Mrs C received a mortgage offer in July 2022 with a ten-year fixed rate of 3.59%. However, Mr and Mrs C complained to Nationwide about the application call and the distress they feel was caused when the advisor asked so many questions about their savings. And they felt the application process was longer than it needed to be, adding distress and inconvenience.

Nationwide explained in its response that the mortgages Mr and Mrs C were looking at were part of its over 55's product range and this type of lending is complex. To ensure the advice and product recommendation is appropriate, the process takes longer than its standard mortgage products.

Nationwide said it didn't think its adviser had acted unfairly when asking questions about Mr and Mrs C's existing savings and their intention for these. When there was no confirmation provided on this, the adviser was correct to check whether the application could continue without information being supplied.

Our investigator looked at this complaint and said that she didn't believe Nationwide had done anything wrong. She explained the call recording had been provided, but the only audio clearly available was that of the Nationwide adviser. But based on this she was happy the questions asked were not unreasonable and she felt Nationwide acted fairly when seeking the information it did.

Mr and Mrs C disagreed with our investigators assessment. They said Nationwide had contradicted itself when one of its response letters to the complaint had said there is "no right or wrong answer" when answering questions about existing savings. So on this basis, they felt the adviser had acted unfairly by pausing the call for 11 minutes when he went to speak with his manager. This added distress and worry about the application which could have been avoided.

Mr and Mrs C also questioned how a finding could be made when only half of the call was available to listen to.

Our investigator said they had considered everything and were satisfied on the information available, that Nationwide hadn't acted unfairly. As the investigator's opinion remained unchanged, Mr and Mrs C asked that the complaint be referred for 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.

Having done so, I am not upholding Mr and Mrs C's complaint, I appreciate they will be disappointed by this, but I'll explain why I don't think Nationwide need to do anything else.

As our investigator has said, the call recording on this complaint which has been provided only has the questions and responses of the Nationwide adviser available. Despite further requests for the call in a different format, this hasn't been provided, but I am satisfied the call provides enough information to understand what was said by the adviser. And as the crux of this complaint is that the adviser was unreasonable in their questioning with this amounting to bullying, having what they said available is helpful.

It is clear from the number of questions asked about the savings Mr and Mrs C hold, that the adviser wanted to understand why they wanted to continue with the amount of borrowing they had and pay interest on this, when the amount could be reduced. This question and different versions of it were asked a number of times before the adviser said he'd need to check with his manager about continuing the call.

I appreciate Nationwide later said there is no right or wrong answer, but from what I can gather from the recording, there was no answer provided. And although there was no right or wrong answer, it is clear Nationwide wanted to understand the plans of Mr and Mrs C to ensure the advice it was providing was suitable. And I think this was explained by the adviser multiple times when he was asking questions about the savings and why it was important he understood their purpose when thinking about the recommendation and advice.

I understand why when the call was paused that Mr and Mrs C would have been concerned about whether Nationwide would proceed and this would have caused some worry. But when there was no apparent confirmation on their intention for their savings and this was causing a question with the adviser over whether he could progress with his advice, I don't think he acted unreasonably when seeking guidance from his manager.

I don't think the application process was onerous or unduly long and it was right that Nationwide provide Mr and Mrs C with information ahead of the appointment to manage their expectations on time and the process. I've not seen anything to demonstrate that during this call the adviser was acting unfairly or requesting information that wasn't needed to complete the application. And I think he explained why he was asking for the information a number of times to allow Mr and Mrs C to understand the purpose of these questions.

Overall, while I accept Mr and Mrs C are unhappy with the application process, I don't think Nationwide has done anything wrong during this call or when taking the time it did with the appointment. It follows that I am not asking it to do anything else now.

My final decision

For the reasons I've explained above, I do not uphold Mr and Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 1 April 2024.

Thomas Brissenden
Ombudsman