

## The complaint

Miss S and Mr T complain that Nationwide didn't inform them they could book a new mortgage interest rate product deal up to six months before their old one expired. They're also unhappy that an appointment they booked with a Nationwide mortgage advisor was cancelled.

## What happened

Miss S and Mr T's complaint centres around the time leading up to their switch to a new mortgage interest rate product with Nationwide in October 2023. At that time, they had a mortgage with Nationwide for approximately £72,000, over approximately 24 years and on a capital repayment basis. They took a two-year fixed rate of 5.99% from 1 October 2023.

Miss S and Mr T say, they were allowed to book a new rate up to six months before their old one was due to expire. They'd looked into new rates in June 2023 but were not informed they could book more than three months in advance until they received an email from Nationwide on 20 July 2023. Thinking they should have been informed sooner, Miss S and Mr T called Nationwide to raise the issue and book a mortgage appointment. They say they informed Nationwide's representative that they'd book a rate on-line that day in case interest rates increased.

On the same day – 20 July 2023 - Miss S and Mr T booked a new interest rate product. But they say they were contacted over the days that followed regarding the mortgage appointment and were told they couldn't have one if they'd already booked a rate. They confirmed they still wanted one, but on the day the appointment was originally scheduled for, they were not informed it had been cancelled – and Mr T had finished work early to attend the appointment.

Miss S and Mr T complained to Nationwide, initially discussing the matter with a Nationwide representative. She acknowledged that the appointment had been cancelled without informing Miss S and Mr T and offered them £50 for the inconvenience caused. Miss S and Mr T didn't accept that.

Nationwide wrote to them with its final response on 15 August 2023. Again, it acknowledged Miss S and Mr T were not told about the cancellation of the appointment – reiterating its offer of £50 – and it said it may not have been made clear in their original phone call that they could either have a mortgage appointment or book a rate themselves on-line. It also said it didn't accept it had done anything wrong with regard to "*rate switch timeframes*" but went into no detail about that.

Dissatisfied with Nationwide's response, Miss S and Mr T asked us to consider their complaint. They say that around June 2023, Nationwide's website informed them they could only book a rate up to three months before the end of their current mortgage interest rate deal. And they provided a screenshot showing that.

Our investigator didn't uphold Miss S and Mr T's complaint. He said, prior to 1 July 2023, Nationwide allowed borrowers to book a new mortgage rate product up to four months

before the end of an existing product and start it up to three months before the end of the existing product. And that information was on Nationwide's website at that time. He said borrowers were informed about their option to cancel a booked rate in their mortgage offer and that information was also available on Nationwide's website. Our investigator also said that when Nationwide extended the pre-booking time to six months – in line with the 'Mortgage Charter', launched towards the end of June 2023 – it informed Miss S and Mr T in reasonable time.

Our investigator also considered the cancelled appointment. While he agreed that Nationwide should have communicated more clearly in that instance, he didn't think that meant Miss S and Mr T lost out on a better rate as a result of not having a mortgage appointment. So, he thought Nationwide's offer of £50 was reasonable for the inconvenience caused.

Miss S and Mr T didn't accept our investigator's opinion. They said the information was not available on Nationwide's website and it hasn't evidenced that. If it was on Nationwide's application screens Miss S and Mr T say they wouldn't have seen that information unless they were making an application. And it was the lack of information on Nationwide's website that prevented them from making an application – they weren't able to make an informed decision. They also say they didn't receive a letter informing them their current rate was coming to an end – Nationwide should have sent one.

With regard to the cancelled appointment, Miss S and Mr T say it meant they weren't able to discuss the possibility of making a lump sum payment to reduce their loan to value ratio. And they could have discussed taking a new rate product over a longer term. So, they say they've suffered a financial loss because they were refused an appointment. They also say Nationwide didn't address their complaint thoroughly or respond to further correspondence on it.

Our investigator responded, saying Miss S and Mr T's comments did not change his opinion. But with regard to their point about their loan to value, he's learned from Nationwide that Miss S and Mr T's product sat in its lowest loan to value tier. So, even if Miss S and Mr T had made an overpayment prior to taking their new product, they wouldn't have been able to choose from a lower interest rate group of products.

Miss S and Mr T still didn't accept our investigator's opinion, maintaining that Nationwide hadn't provided proof of what it claimed – its screenshots were generic rather than the specific ones they'd provided. And they could only have seen the information they needed when they actually made an application, which was too late for them to make a decision.

As Miss S and Mr T don't accept our investigator's opinion, their 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.

To decide Miss S and Mr T's complaint, I've thought about whether Nationwide's notification of its 'early switch' policy was reasonable. And whether its action around Miss S and Mr T's request for an appointment was reasonable. In both instances, I've thought about whether Nationwide caused a financial loss to Miss S and Mr T or caused them significant distress or inconvenience.

Miss S and Mr T have raised many individual points that they say support their complaint. I'll not refer to all of them in my decision. Instead, I'll comment on those things I think are material to the outcome of their complaint. In any event, I have read and considered everything they've said.

Miss S and Mr T have also said they don't think Nationwide has provided "*proof*" of what it informed them. However, my role is to give an impartial decision, so I've decided their complaint based on what I think the evidence provided shows is more likely than not, taking into account all the circumstances. Neither party is required to "*prove*" what they say.

#### Nationwide's notification of its 'early switch' policy

Nationwide has told us the following about its policy with regard to the time window allowed for borrowers to book new mortgage rate products at the time applicable here:

*"From 1<sup>st</sup> July 2023 the following changes will be applied to the product switcher window"*

- *The switcher window will be increased from 4 months to 6 months*
- *The number of available switcher dates to select will remain unchanged at 4 dates.*

*\*a switcher window is a period of time in which a member can start an application with the aim to switch on an eligible date (eligible date being up to 3 months before the existing deal maturity).*

#### **Rationale behind the changes**

*Following the Chancellor's meeting with lenders on Friday 23<sup>rd</sup> June [2023], Nationwide and the majority of other lenders signed up to the government mortgage charter, one of the mortgage charters agreed was 'customers approaching the end of a fixed rate deal will have the chance to lock in a deal up to six months ahead' allowing them to cancel the switch up to start of the new deal, as a result we have reverted back to a previous position that was available to customers in October last year. Nationwide's 20<sup>th</sup> of the month cancellation policy remains unchanged and in line with the above requirements"*

Miss S and Mr T have provided a copy of the email Nationwide sent to them on 20 July 2023, informing them they could secure a new rate up to six months before their old one ended. It appears that Miss S and Mr T thought Nationwide's policy allowed six months for some time before that, but it hadn't previously informed them of that. And it appears that understanding, in part, drove this complaint.

Nationwide has told us it wouldn't usually inform customers individually about its policy for the early securing of a new rate (or changes to that policy). Instead, it did so on its website under its "*Guide to switching your mortgage deal.*" So, I think it did so on 20 July 2023, only because of the commencement of the 'Mortgage Charter.'

Miss S and Mr T say, when they looked for new rates in June 2023, Nationwide's website said they could secure a new rate only three months before the end of their existing rate. But Nationwide's policy at that time was that they could do so up to four months beforehand. They've sent a screenshot of what they saw at the time. However, the information in that screenshot referred to how early they could start a new rate – "*Select a switch start date.*" That isn't the same as the date from which they could secure/book a new rate.

I understand Miss S and Mr T's frustration at not knowing they could secure a new rate sooner than they did. And I agree that, had they known, they may have been able to secure a lower rate than they did. However, Nationwide weren't required to write to borrowers to inform them of its policy in that regard – or changes to it. And I think the information I've seen on Nationwide's website explains its policy reasonably.

Nationwide changed its policy in line with the Mortgage Charter on 1 July 2023 and informed Miss S and Mr T on 20 July 2023. I think it did so in reasonable time, though, as I've said above, it usually only communicated changes to this policy via its website. But, in any event, as the change to six months only happened on 1 July 2023, it would have been of no benefit to Miss S and Mr T, over the existing policy of four months.

I'm mindful that Miss S and Mr T have expressed concern about the level of proof regarding the information that was actually available at the time (from June 2023). They say Nationwide's website did not inform them of the four-month window for securing a new rate and it did not inform them of the ability to cancel until they were in the process of applying. I understand their concerns in that regard.

However, Nationwide has told me information – on both the timeframe and the ability to cancel – was available in its guide to switching, and was available outside the application process screens. I've seen that is correct at the time of me deciding Miss S and Mr T's complaint. I fully accept that doesn't demonstrate the same information was available to them in June 2023. Miss S and Mr T have sent screenshots of information they say they saw at that time. But those are screenshots they've selected in support of their argument – none of which actually demonstrate the key information wasn't available to them as Nationwide says it was.

So, while Miss S and Mr T say they've sent "*proof*" of what they claim, I disagree. I think their testimony and evidence is no more compelling in that regard than Nationwide's. And, to uphold this part of their complaint, I need to be persuaded that Nationwide has done something wrong. Weighing the conflicting testimonies and evidence hasn't persuaded me of that in this case.

#### Nationwide's action around Miss S and Mr T's request for a mortgage appointment

Nationwide accepts that when Miss S and Mr T spoke to its representative on the day they booked their rate, they weren't told an appointment with a mortgage advisor was unlikely to be available to them if they booked a new interest rate product via the website.

Miss S and Mr T have sent us copies of correspondence between them and the mortgage advisor in the days leading up to the appointment that they were initially allowed to book. That evidence shows the appointment was confirmed on 3 August 2023 for the 8 August 2023. The evidence also shows that Nationwide's advisor contacted Miss S and Mr T by email to say they couldn't have a mortgage appointment if they'd already booked a rate. Miss S and Mr T argued that point, maintaining they wanted an appointment. I've seen that the advisor wanted to call them and appears to have tried a number of times to discuss the matter - Miss S and Mr T appear to have missed his calls due to undefined technical difficulties. From what I can see the advisor left the matter with the original Nationwide representative to discuss it with Miss S and Mr T. It's not clear whether that happened, but I suspect it didn't, given Miss S and Mr T's complaint.

I think the issue of whether Miss S and Mr T were to proceed with the arranged appointment was still an 'open' discussion by the time the appointment came around. While I think the Nationwide advisor made it clear that an appointment shouldn't proceed because Miss S and Mr T had booked a rate – and had made efforts to discuss the issue – I can't see that the

appointment was actually cancelled. So I can understand that Miss S and Mr T were frustrated by that – and had altered their plans for the day to make time for the appointment – despite, knowing by that point that it wasn't Nationwide's policy to offer appointments where a rate had already been booked.

My understanding is that Nationwide doesn't offer mortgage appointments where a rate has been booked because they represent two different levels of advice. Where a borrower books a rate on Nationwide's website, they choose their own rate based on the information available to them. If they opt for a mortgage appointment, the advisor makes a recommendation based on the circumstances, needs and goals of the borrower. I understand why Nationwide would want to keep the two separate. For example, it may not want to confuse the levels of advice and the demand on the advisor's time may not make it economically viable for the advisor to spend time on borrowers who'd already made a decision. I think that's reasonable and, in any event, it's for Nationwide to make its own policy in that regard – it's not for us to tell it how to operate.

In this case, I think Nationwide should have made sure Miss S and Mr T knew their appointment was cancelled. And, as it's already acknowledged, it should have given them the correct information in the first instance. Nationwide has offered Miss S and Mr T £50 for the distress and inconvenience caused because of the cancelled appointment. I think that's reasonable given the apparent effort made by the advisor to discuss the matter with them. And that they were made aware well before the appointment that they didn't actually qualify for one because they'd already booked a rate.

But I've also thought about any loss Miss S and Mr T may have suffered as a result of not having access to the mortgage advisor. They say they wanted to understand whether they would benefit by making a capital payment to reduce the loan to value ratio, thereby qualifying for a rate available at a lower loan to value tier. Nationwide has confirmed the product Miss S and Mr T booked sits in its lowest loan to value tier. So, Miss S and Mr T have suffered no loss in that regard.

Miss S and Mr T say they also may have discussed taking the new mortgage deal over a longer period of time, and that might have been beneficial to them. I don't think not having the appointment prevented them from doing that. By that time, and by their own admission, they were aware they could cancel the rate they'd booked in favour of a lower rate. Or, if they'd wanted, in favour of a longer rate deal. It's clear to me that they knew where on Nationwide's website they could find the rate deals that were available to them. So, I think they could have checked what new interest rate products were available to them at any time before the latest cancellation date and booked one they preferred.

Miss S and Mr T have also told us they think the advisor may have been able to offer a better rate, had the appointment proceeded. Nationwide has provided us with information about when its rates changed. That information shows, at the time of their scheduled appointment, the two-year fixed rate mortgage available to them was still at 5.99%. So, they wouldn't have been able to secure a lower two-year fixed rate by meeting with Nationwide's mortgage advisor, as scheduled.

Overall, I don't think, based on the evidence available, Miss S and Mr T have suffered a financial loss by not meeting with Nationwide's mortgage advisor on 8 August 2023.

#### Nationwide's handling of Miss S and Mr T's complaint

A respondent business is generally required to give a final response to a complaint within eight weeks of receiving it. If not, the consumer is free to bring the complaint to our service and we are able to start considering it.

Nationwide responded to Miss S and Mr T's complaint on 15 August 2023 – so well within the time allowed. I agree with Miss S and Mr T that Nationwide's response wasn't particularly detailed. But the level of detail required in a final response letter isn't prescribed and Nationwide weren't required to respond to further correspondence after giving its final response letter. Nationwide outlined what Miss S and Mr T could do if they disagreed with the final response – as it is required to do – and that was to refer their complaint to this service.

So, while I understand why Miss S and Mr T think Nationwide's handling of their complaint was unsatisfactory, I can't agree Nationwide did anything wrong in relation to what it was required to do.

### Summary

Overall, I'm not persuaded that Nationwide didn't inform Miss S and Mr T reasonably about what they could do when securing a new mortgage rate product. And I don't think Miss S and Mr T lost out financially because they didn't meet with Nationwide's mortgage advisor on 8 August 2023. I think Nationwide should have communicated more clearly with regard to the appointment, but I think its offer of £50 for the inconvenience caused in that regard is fair and reasonable. So, I don't uphold Miss S and Mr T's complaint.

### **My final decision**

My final decision is I don't uphold Miss S and Mr T's complaint about Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S and Mr T to accept or reject my decision before 1 January 2025.

Gavin Cook  
**Ombudsman**