

The complaint

Ms M complains that when she contacted Nationwide Building Society to say she was having difficulties making her monthly mortgage payment, it didn't offer her any support at all.

What happened

Our service has written to Ms M separately to say that we are only able to look at her complaint that Nationwide hasn't provided support for her in managing her mortgage payments, when she said that she was having difficulties meeting those payments. I understand that Ms M remains unhappy with our service's decision not to look at some other concerns she has raised with us, but I won't reopen that decision here.

This decision looks only at whether Nationwide provided appropriate support for Ms M in managing her mortgage payments, when she said that she was having difficulties meeting those payments.

Ms M said that she was struggling with her mortgage payments, and had contacted Nationwide about this but it hadn't offered any help at all. She said all Nationwide did was put the interest rates up.

Nationwide disagreed that it had offered Ms M no support with her mortgage. It said that Ms M's mortgage wasn't in arrears, on the contrary, she had been making overpayments, and it had suggested that she could use that overpaid amount to reduce her monthly payments now. It had put this in place for her, and assuming interest rates stayed the same, she could make lower payments until early 2026.

Nationwide said there were other things it could do too, if Ms M would like to explore those. It could discuss her borrowing back some of that overpayment as a lump sum, if she wanted to. Or it would be happy to put her in touch with its collections team if she was going to struggle with her payments, and that team might be able to reduce her payments for a short period.

Nationwide said Ms M could also think about whether she wanted to fix a new interest rate. She was then on the Nationwide Base Mortgage Rate ("BMR") which was guaranteed to be no more than 2% above the Bank of England base rate. But Nationwide said it did have other rates Ms M could switch to which may help to reduce the amount of interest she was charged on her mortgage and may reduce her monthly payments. It said she could look online to see if this would help her.

Our investigator didn't think this complaint should be upheld. He said Nationwide had explained the credit currently on Ms M's mortgage, and that she could make underpayments to help with any current pressures. It had also discussed other options with her.

Our investigator thought that overall, Nationwide had tried to give Ms M all of the support options that were available, and all the information necessary to make an informed decision. He thought Nationwide had acted reasonably, and said he wasn't going to ask it to do

anything further.

Ms M didn't agree. She said moving to a different mortgage rate would be too expensive and costly to setup. And she felt that underpaying her mortgage increased the cost, so she was being penalised financially on an ongoing basis. She said she didn't think our investigator had understood that, and she was also not sure how long Nationwide would let this continue.

Our investigator didn't change his mind. Ms M wanted her complaint to be considered by an ombudsman, so it was passed to me for a final 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.

I've reached the same overall conclusion on this complaint as our investigator. I don't agree that Ms M has been left with no support by Nationwide.

Before I explain why I've reached that view, I should acknowledge that Ms M wants Nationwide to act more widely than it has done. But our service has already explained why we are not considering her wider complaint here, and I will be confining my comments here to the complaint Ms M made about a lack of support when she asked Nationwide to help with her recent difficulties making her payments.

I have read a letter Nationwide sent Ms M on 19 March 2024, which set out a number of options that she could consider. I think Nationwide has considered carefully how it might support Ms M, and has offered her a range of options to help in her current circumstances. I think that Nationwide did take the steps I would expect it to, to support Ms M at this stage.

Ms M said that none of the options that Nationwide had offered were acceptable, but I note that on the same date, Nationwide also wrote to Ms M to confirm that it had put one of the options it mentioned in place for her, an arrangement for her to underpay her mortgage.

Ms M said she didn't know how long Nationwide would allow this underpayment arrangement to continue, but it looks as if Nationwide set that out for Ms M in a second letter, also sent on 19 March. It said then that (assuming interest rates stayed the same) the arrangement could continue until March 2026. I understand Ms M's interest rate was set by reference to the Bank of England base rate, which has since reduced. If Ms M wants an up to date position on how long her arrangement will last, then she can talk to Nationwide.

Ms M also said that any new interest rate deal for her mortgage would be too expensive, and too costly to set up. But, having looked online (as Nationwide encouraged Ms M to do) I can see alternative rates which do appear to be lower than Ms M is paying now, some of which can be set up without a fee. I don't know if any of these are right for Ms M, but I think Nationwide was right to say that Ms M should consider this, and I would encourage her to discuss this further with Nationwide now, if she hasn't already done so.

Returning to Ms M's core complaint, I don't think Nationwide has failed to support her to date, with the difficulties she's having meeting her monthly payments. And I would expect it would continue to do so in future.

Although I know Ms M will be disappointed by my decision, I don't think her complaint should be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 27 December 2024.

Esther Absalom-Gough
Ombudsman