

The complaint

Mr A complains that a surveyor engaged by Nationwide Building Society acted inappropriately when valuing a property that Mr A intended to buy.

What happened

Mr A, a first time buyer, applied for a mortgage with Nationwide. Nationwide engaged a surveyor to value the property. Mr A separately got a RICS Level 3 survey to identify any defects with the property. Mr A says he was told by the seller that when the surveyor appointed by Nationwide attended at the property he told the seller that he was selling it too cheaply. Mr A's subsequent Level 3 Survey identified a number of defects and Mr A estimated the repair costs as between £17,450 to £30,850. But Mr A says that the surveyor's inappropriate remarks have denied him the opportunity to negotiate a reduction in the selling price. The sale fell through, and Mr A and his family suffered trauma which Mr A feels was caused by the stress of the situation.

Nationwide says that it engaged a suitable qualified valuer to value the property on its behalf and that any matters related to the appropriateness of his behaviour is a matter for his employer or regulatory body and not for Nationwide. Our investigator agreed with Nationwide saying that Nationwide wasn't accountable for the conduct of the surveyor. Mr A disagreed and asked for a review.

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'm sorry to hear of the trauma suffered by Mr A and his family and the fact that his purchase fell through. I've carefully read the submissions that Mr A has made including those he sets out in his email to us on 26 October 2024. My role is to decide not whether the surveyor did anything wrong but whether Nationwide did. Mr A asked Nationwide to loan money to buy a house. In order to decide whether it was going to lend money, Nationwide needed a valuation carried out on the property to see if it was good security for the loan. So, it engaged a firm of valuers who instructed a suitably qualified surveyor to value the property. Mr A says *"I understand that Nationwide appointed an external surveyor for the valuation. However, as the lender, Nationwide remains responsible for ensuring that the parties engage in a professional and fair manner. The surveyor's conduct which directly impacted the fairness of the transaction caused irreparable financial and personal harm. As a result, I believe Nationwide should be held accountable for the impact of their appointee's actions on my transactions."*

I disagree with Mr A as to where the responsibility lies here. The professional standards that the surveyor is required to adhere to is not set or supervised by Nationwide. It's not responsible for ensuring that the surveyor acts professionally. Nationwide engaged a professionally qualified person to do a valuation on the basis that as a member of a professional body and that the surveyor will act in accordance with the standards of that body. But if he doesn't that's not Nationwide's fault. Mr A's complaint is that the surveyor

provided advice to the seller that he was selling too cheaply. But that's not what Nationwide engaged the surveyor to do which was to provide it with a valuation and certainly not to advise the seller on the selling price. So, it's difficult for me to find that it was Nationwide's fault if the surveyor did something that it didn't instruct the surveyor to do. For that reason, I can't fairly uphold this complaint.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 28 January 2025.

Gerard McManus
Ombudsman