

The complaint

Mr E complains that Newcastle Building Society (“NBS”) wouldn’t give him information on how much it would cost to pay off his mortgage, some months in advance. And he said that NBS was sending letters to the other joint mortgage holder, but at his address.

What happened

Whilst this complaint is brought by both Mr E and Ms E, as the mortgage is in both their names, our dealings have been with Mr E. So I’ll mainly refer to him in this decision.

Mr E’s complaint focusses on two points, which I’ll set out briefly here.

Point one is that, despite his repeated requests, NBS wouldn’t give him the information he wanted when he was approaching the end of this mortgage, about how much would be left to pay in the last month of his existing fixed term rate. Mr E says that despite his repeated requests, NBS gave him no information at all, not even a rough idea of how much would be left to pay. It just said he could ask for a redemption statement a month before he intended to pay the mortgage off. Mr E felt NBS should have understood that an estimate would be sufficient, and should have provided that the first time he asked.

Point two is that letters were addressed to Ms E alone, at his address. Mr E and Ms E do not live at the same address, and Mr E says they should each receive separate correspondence, which carries the right name as well as the right address. Mr E said when he pointed out this mistake to NBS, it denied that this had happened, until he sent it the relevant letter.

Mr E has been very unhappy with NBS’s proposed resolution, and doesn’t feel this complaint has been treated sufficiently seriously. He has returned the compensation payment that NBS paid him. He wants NBS to apologise, and to waive the discharge fee on his mortgage.

NBS said Mr E and Ms E had a mortgage with it which was on a fixed interest rate until 31 March 2025. NBS said an Early Repayment Charge (“ERC”) applied until that date. NBS said it had repeatedly told Mr E if he wanted confirmation of what his final balance would be, to clear the mortgage debt in March 2025, then he needed to ask for a redemption statement in the month before. NBS said it will only generate a redemption statement a month in advance, because it doesn’t know for sure what payments will be made before then.

NBS said that it hadn’t offered an estimate of the March balance for Mr E, because that wasn’t what he’d asked for. It said it would have liked to speak to him about this, and had invited him to ring so it could clear up any misunderstandings, but Mr E didn’t want to call.

NBS also said it hadn’t realised that a letter had been sent to Mr E’s address which was addressed to Ms E alone. It said it had apologised for this, and paid £30 in compensation for the inconvenience, but Mr E had returned the money.

After this complaint came to our service, in early March, NBS let us know that in the light of the significant reduction in Mr E's mortgage balance, it didn't plan to charge an ERC on this mortgage. However, Mr E then told us he hadn't paid the balance off after all.

Our investigator didn't think this complaint should be upheld. He thought it was reasonable for NBS to say Mr E should ask for a redemption statement if he wanted to know how much he would have left to pay off in March. Our investigator said Mr E didn't ask for an estimate and it looked like he had wanted to know the actual figure he would need to pay to redeem the mortgage after his continued overpayments. But NBS couldn't give that, because it couldn't guarantee that Mr E would make all the payments and his overpayments.

Our investigator accepted that when Mr E complained about incorrectly addressed correspondence, at first NBS didn't realise Mr E's name had in error been left out in the letter he'd received in October 2024. When Mr E sent NBS a copy of that letter, it apologised for the mistake and offered £30 in compensation. But our investigator said this error had, fortunately, only a minimal impact on Mr E, and he couldn't ask NBS to waive Mr E's discharge fee instead of paying the sum of £30 it had offered.

Mr E strongly disagreed, and said he thought our investigator was biased towards NBS. Mr E wrote in detail, setting out that he felt his separate requests for information on paying off his mortgage should have been read together, and if they had been, NBS would have realised what he wanted. Mr E didn't think our investigator had put himself in Mr E's shoes. And Mr E said he'd received further incorrectly addressed correspondence, after the original mistake in December 2024. He said the same mistake was made in April 2025. So Mr E felt that the mail system at NBS must be faulty and not fit for service. He thought no action could have been taken by NBS to rectify the problem.

Because no agreement was reached, this case then came 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'd like to thank Mr E in particular for his detailed argument and helpful annexes to this complaint, which have set out his complaint clearly. In providing my response, I am aware I've summarised the events surrounding this complaint in less detail. No discourtesy is intended by my approach which reflects the informal nature of this service.

I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues.

I should also explain that, although Mr E has taken issue with some of the points made by our investigator, I won't necessarily respond on all of those points. The view of our investigator isn't something I simply adopt, and so it's not for me to defend the view he reached. Rather, I carry out a complete review of this case, and what I set out below is my decision.

Mr E has explained that his earlier plans to pay off his mortgage were derailed when he wasn't able to make some of his planned overpayments. So in October 2024, Mr E wanted

to ask NBS about how much he'd now have left to pay in March 2025, if he made his monthly payments up until then, and paid the agreed overpayment of £499 per month. Mr E's actual request was *"Could you advise what the final payment in March 2025 would need to be to fully clear the mortgage"*. NBS's reply asked him to request a redemption statement in February, and gave its number if he had any queries.

Mr E's next letter raised other complaint points, but also said *"Please advise of the additional overpayment that I need to make in March taking into account the £499.99 payments for this month and January and February."* Again, NBS asked him to request a redemption statement in February, and gave its number if he had any queries.

Mr E wrote again. At this point he said *"..if an exact figure is not available an estimate would be acceptable"*. NBS then set out some further information for him, saying what it anticipated his balance would be at the end of February, and mentioning the discharge fee he'd need to pay at the end of the mortgage.

Mr E's reply to this said this sum was less than his annual overpayment allowance – the amount he's able to pay off without incurring an ERC. But NBS then said he was referring to the overpayment allowance from the previous year, and it asked him to call so it could clarify things.

I understand Mr E thinks NBS should have done more to support him. And I appreciate that he didn't want exact figures, but would have been happy with the sort of rough and ready information that he finally got in NBS's response of 6 January 2025.

Mr E's argument about the letters he issued is, in essence, that NBS ought to have realised what he was asking for. But Mr E asked, some months in advance, for a final payment amount. I think it was reasonable for NBS to say it couldn't give him that.

It's not unusual for a bank to refuse to give a final redemption figure months in advance, and that is, as our investigator said, because lenders can't be sure that all the payments due, and any overpayments, will be made, and if so, when they'll be made. Even a very small difference in when an overpayment is received, can mean a final figure given months earlier can turn out not to be quite enough to redeem a mortgage. I know Mr E wasn't budgeting that closely, but I don't think NBS had realised this from the question he asked. And I don't think it would be fair and reasonable for me to uphold this complaint because NBS, when it was faced with a repeated request, didn't look back at his previous request and figure out what he wanted.

I note that NBS included its number for Mr E to call if he had any queries, when it responded to him. Mr E has told us he didn't want to do that, and explained the personal reasons why he isn't comfortable making calls in this way. But I can't see that he told NBS these reasons. In a letter to it that he shared with us, Mr E said something different – he said then that he didn't want to call because he wanted a written record of his communications with NBS. So I don't think it was inappropriate for NBS to suggest it should talk to Mr E, and I don't think NBS will have realised why Mr E didn't want to speak to it.

I appreciate Mr E found NBS very unhelpful here, but I don't think his request was clear, and I don't think NBS realised why he wouldn't just call. So I don't think his complaint on this point should be upheld.

Mr E said NBS had sent a letter with the wrong name on – it was addressed to Ms E but at his home. I have seen the correspondence which was the subject of his complaint, and there is clearly a mistake. It's unfortunate that NBS didn't realise this at the outset, but it has

shown us that the letters it has carry both names, so it's perhaps not surprising that it didn't realise this mistake until Mr E sent it a copy of the relevant letter. It did then apologise, and said it had taken steps to ensure this would not happen again. It also paid Mr E £30 in compensation.

Mr E says that I must now uphold his complaint on this point, because he has received another letter which is also wrongly addressed. But when NBS replied to Mr E's complaint, and indeed, when our investigator set out his view, that letter hadn't been sent. The rules of our service require me to allow NBS to have a chance to look into things, before we reach a decision. That hasn't happened here, NBS hasn't had a chance to look into why a second letter was sent. So I don't think I should take this much more recent event into account in my decision. Rather, I will invite Mr E to raise this with NBS if he wishes, and give it an opportunity to reconsider its previous response, before we become involved.

I do think that a payment of £30 provides fair and reasonable compensation for the one-off mistake that NBS understood had been made, when it considered this complaint. Mr E has returned that money to NBS, so my decision will require NBS to pay Mr E that money now.

I know that Mr E will be disappointed with my decision, but I don't think NBS has to do more than that.

My final decision

My final decision is that Newcastle Building Society must pay Mr E the sum of £30 in compensation, which it previously paid but Mr E returned.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Ms E to accept or reject my decision before 4 August 2025.

Esther Absalom-Gough

Ombudsman