

The complaint

Miss S complains about the rate of interest she was offered by Nationwide Building Society ('Nationwide') in relation to a personal loan.

What happened

This complaint is well known to both parties, so I'll only summarise it here.

In early 2025 Miss S took out a loan with Nationwide with an interest rate of 29.9%. Miss S went ahead with the loan but after reviewing the impact of the interest rate on her repayments, she complained to Nationwide about the rate of interest she received stating that she didn't think it had acted correctly particularly in light of the fact she'd been a customer for 40 years. She considers she should've been offered a lower rate in line with the advertised rate of 5.9%.

When the matter came to us our investigator didn't recommend upholding the complaint. Miss S responded. Amongst other things, she thought Nationwide acted incorrectly in relation to its Consumer Duty regulations. As no agreement could be reached the matter 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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service. However, I've given careful consideration to all of the submissions made before arriving at my decision.

I've thought about how the Financial Conduct Authority's ('FCA') Consumer Duty impacts Miss S's complaint. The Consumer Duty sets higher and clearer standards for businesses and requires them to act to deliver good outcomes for their customers. This includes ensuring their products and services are fit for purpose and designed to meet the needs of their customers. They should also provide fair value to avoid causing harm by frustrating the financial objectives of their customers. But the FCA has been clear that the Consumer Duty rules are not intended to set prices, and do not mean that firms are expected only to offer products and services at low prices.

I can see that Nationwide explained the way in which its personal loan repayment terms operated, which is not materially different from other loans of this type. Miss S might not have realised at the time the impact that taking the loan over a seven year term would have on the total amount of interest she would need to pay. But I don't find that this was due to any shortcomings in the information Nationwide gave her.

The lender has also set out in broad terms the reasons for its decision to set Miss S's interest rate at the level it did. The fact that Miss S has previously been granted short-term

promotional rates on credit cards has little if anything to do with the rate Nationwide might be prepared to offer her on a seven year fixed-sum loan. Miss S had enough information and support to allow her to understand her options and make an informed decision about whether to take out the loan.

I understand Miss S's dismay at the cost of her borrowing – nobody wants to pay more than they have to for a product or service. But I've no reason to think that the interest rate she agreed with Nationwide is not commensurate to a borrower with her financial situation and risk profile or that it doesn't offer fair value, noting that the arrangements appear to meet her needs.

Lastly as our investigator said, Miss S said she was unable to access statements via internet banking or via the app. It seems Nationwide is willing to send statements to Miss S on request. I appreciate Miss S think Nationwide should offer statements via online banking, but its terms clearly said how she could request statements (at any time) and I'm satisfied, in the round, it has acted fairly here. I can see Nationwide has offered Miss S £50 for issues with its in-app service. Overall, I think Nationwide has acted fairly and reasonably in respect of this complaint. So, I'll leave it to Miss S to decide if she wishes to accept this offer which Nationwide said remained open to her.

So, whilst I know Miss S will be disappointed with this outcome, I'm not upholding this complaint.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 14 January 2026.

Yolande Mcleod
Ombudsman