

The complaint

Mr and Mrs M complain that Nationwide Building Society lent them money to buy their home, although the property they bought was of non-standard construction. They said this should have been noted in the survey Nationwide had done, and it shouldn't have lent them money.

What happened

Mr and Mrs M said that a mistake in the valuation done when their property was purchased had only come to light recently, when they tried to sell. They now know the property is of a non-standard construction. Mr and Mrs M said they were having great difficulty selling their home, and were likely to have to make a substantial reduction in the price.

Mr and Mrs M said they have also recently found that Nationwide doesn't lend on properties like this. So it shouldn't have lent them money, back when they bought their home.

They have seen the valuation report done at the time, and it wrongly identified their home as standard construction. Mr and Mrs M said Nationwide was responsible for this, but they said it had tried to pass things off onto the surveyors.

Nationwide didn't think it had done anything wrong here. It said the mortgage lending to Mr and Mrs M was agreed on the basis of the valuation information it had received from third party surveyors at the time. Nationwide said it doesn't survey properties itself, and it relies on the opinion of the professionals it engages to do that work. It had passed the details of this complaint on to its surveyors, but wouldn't do anything more than this.

Our investigator didn't think this complaint should be upheld. He said our service doesn't have jurisdiction over survey firms and valuers. So our service isn't able to directly question the professional judgment of a valuer at the time the valuation was completed, or comment on the response they've provided to explain why the construction type wasn't originally picked up. We can only look at the actions of Nationwide.

Our investigator said the valuation report Nationwide got before Mr and Mrs M made their purchase said the property was of standard construction. It also contained very clear wording, warning Mr and Mrs M that the report had only been done for Nationwide's purposes, and might not be accurate. The valuation report strongly advised them to get a fuller report on the property.

Our investigator said he could only look at whether Nationwide made a mistake when it offered Mr and Mrs M a mortgage. He said it had appointed a valuer with the relevant professional qualifications, and then relied on his opinion. Our investigator said it was reasonable for Nationwide to do that. We can't go beyond this, and look at whether the valuer made a mistake.

Mr and Mrs M didn't agree. They said that Nationwide hadn't acted fairly. The surveyor made a mistake, and that mistake influenced Nationwide's decision to lend. So now they were left

dealing with the consequences, unable to sell their property for what they had understood it was worth.

Mr and Mrs M said even though our service can't look at the mistake the valuer made, they still thought Nationwide should face the consequences of relying on a flawed report. They said they had trusted that the valuation process would protect them from precisely this kind of situation, and were now stuck in a property they can't sell, with no recourse for the financial and emotional impact of that.

Mr and Mrs M wanted their complaint to be considered by an ombudsman, so 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 have been very sorry to hear about the situation in which Mr and Mrs M find themselves. I appreciate that this will be very distressing indeed for them. So I'm sorry to have to tell them that I don't think our service is able to help here. I think I should be clear from the outset that I have taken the same view on this case as that set out by our investigator – Nationwide didn't make the mistake here, and it was entitled to rely on the professional advice it sought.

Our service doesn't have jurisdiction over surveyors or valuers, so it wouldn't be appropriate for me to comment on what went wrong with the report done for Nationwide when Mr and Mrs M bought their home, other than to acknowledge that their home was wrongly described as of standard construction.

I appreciate that if Nationwide had been sent an accurate report, this situation would not have occurred. But that doesn't mean that this is Nationwide's fault, or that I can fairly hold Nationwide responsible for what's gone wrong here.

Nationwide sought advice from professionals outside of the building society on whether the property Mr and Mrs M wanted to buy would form suitable security for its lending. I can see that it appointed a valuer with appropriate professional status. It then relied on the advice it obtained from that professional, in deciding whether to lend on this property.

The decisions that Nationwide was making, about whether to lend money on this property as part of its overall lending portfolio, are different to the decisions that Mr and Mrs M may make about whether to buy their home. The risks are clearly not the same. So the report that Nationwide obtained for its own decision-making isn't doing the same job as a survey done for a buyer, and it wasn't meant to replace a valuation or survey for Mr and Mrs M. The valuation itself sets out that they aren't advised to rely on it. Our service has to bear in mind that Nationwide had made this clear.

I appreciate that this leaves Mr and Mrs M in an extremely difficult situation now. But the only things I can look at here, are the things Nationwide did. I've not been able to see that the decisions that Nationwide made here, were wrong. I know the information that Nationwide was relying on has turned out to be mistaken, but I haven't been able to see that this was Nationwide's fault.

I know that Mr and Mrs M will be disappointed, but I don't think this 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 Mr M and Mrs M to accept or reject my decision before 18 December 2025.

Esther Absalom-Gough
Ombudsman