

## **The complaint**

Mr E and Miss M complain that Nationwide Building Society didn't tell them there's a cut off date to accept a new interest rate product for it to be in place the following month. They missed the cut off date and their mortgage went onto Nationwide's standard mortgage rate (SMR) for a month. They ask that the additional interest is refunded.

## **What happened**

Mr E and Miss M's interest rate product was due to expire on 28 February 2025. They applied for a new product on 24 February 2025. Nationwide said this was after it's cut off date for the product to be in place on 1 March 2025. Mr E and Miss M's mortgage was on the SVR during March 2025.

Nationwide said it wrote to Mr E and Miss M in early February 2025 saying they should apply before 23 February 2025 to switch for the next month.

Miss M said they didn't receive this letter. She said they applied for the product online and this is where information about the cut off date should be displayed. Miss M said the information online suggests the cut off is 1 March 2025. She said they missed the cut off date by two days and Nationwide would have had time to put the product in place.

Our investigator said Nationwide wrote to Mr E and Miss M saying they needed to secure a product by 23 February 2025 for it to be in place by 1 March 2025. She said post is a reasonable way to provide information and Nationwide wasn't responsible if the letter didn't arrive.

Mr E and Miss M didn't agree and asked that an ombudsman re-consider their complaint.

## **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.

Mr E and Miss M's mortgage product expired on 28 February 2025. They didn't have a new interest rate product in place on 1 March 2025 and so their mortgage went onto the SMR, in accordance with the mortgage terms and conditions.

Mr E and Miss M don't dispute knowing that their interest rate product was due to expire on 28 February 2025. They say Nationwide didn't tell them they had to apply for a new product by 23 February 2025 in order for it to be in place by 1 March 2025.

Nationwide sent a rate expiry letter to Mr E and Miss M on 5 February 2025. This said they needed to apply for a new product by 23 February 2025. Mr E and Miss M say they didn't receive the letter. Miss M says Nationwide shouldn't rely on letters, which she says is outdated. She says the information should be displayed online.

Miss M went online on 24 February 2025 to secure a new interest rate product. She was only able to select a start date from 1 April 2025. Mr E and Miss M had already missed the

cut off date to have a product in place by 1 March 2025. So it wouldn't have helped them if they'd been given the cut off date during the application process.

Miss M provided screen shots of the information she saw when she went online. Miss M says this suggests the cut off date is 28 February 2025 or 1 March 2025. I can't fairly agree with that. These dates are referred to as when Mr E and Miss M's product was due to end and a new interest rate would start. The information says they can reserve a product before their current rate ends – that is, they didn't need to wait until their product ends before securing a new product. I can't see that any of these screen shots say that Mr E and Miss M could take out a product at any time up to 28 February 2025 or 1 March 2025 and it would take effect on 1 March 2025.

Lenders are entitled to make a commercial decision about their processes. For instance, how much time they need to put a new product in place. Nationwide allowed five working days to carry out the administrative tasks necessary to apply the new rate. That doesn't seem unreasonable, especially given a number of other customers would also be switching products.

Miss M said she regularly checked rates online in early February 2025. She was expecting rates to come down following a reduction in the Bank of England base rate. I understand that Miss M held off applying for a new interest rate product in the hope that a lower rate would become available. So she might have found it helpful if the cut off date had been displayed when she was checking rates. If Miss M and Mr E wanted to wait as long as possible before applying for a new product and still have it in place for 1 March 2025, they could have checked with Nationwide what the last possible date was to make an application.

Nationwide had to provide clear information to Mr E and Miss M to enable them to make an informed decision on a timely basis. I think it did this. It wrote to them reminding them their product was due to expire and that they could take out a new product. It said they should apply by 23 February 2025 to switch for next month. I think writing to Mr E and Miss M is a fair way for Nationwide to provide this information. The letter was correctly addressed. I can't fairly find that Nationwide is responsible for the letter not arriving safely.

Miss M and Mr E told us they'd had some unexpected expenses in early 2025 which made paying the additional interest while on the SMR more difficult. I understand Mr E and Miss M's frustration that they didn't have a product in place on 1 March 2025. But I don't think this was because Nationwide made an error or treated them unfairly. It follows that I don't think it's fair and reasonable to require Nationwide to pay compensation or refund any interest applied to their mortgage account.

### **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 E and Miss M to accept or reject my decision before 20 November 2025.

Ruth Stevenson  
**Ombudsman**