

## The complaint

Mr K complains that Nationwide Building Society handled his application for a transfer of equity on his mortgage poorly, causing him distress and inconvenience.

## What happened

In 2021 Mr K and his then partner took a mortgage with Nationwide. The mortgage was for approximately £275,000, over a 30-year term, on a capital repayment basis. The interest rate was fixed for 5 years at 2.39%.

Sometime after, Mr K's relationship broke down. Mr K's ex-partner wanted to purchase another property so, on 15 May 2025, Mr K applied to Nationwide for a transfer of equity – meaning the mortgage would be in his sole name if his application was successful. Nationwide produced a new mortgage offer for Mr K on 30 June 2025.

Mr K says his experience of the transfer of equity process with Nationwide was characterised by a complete lack of care and accountability, with Nationwide failing to keep to commitments. He said Nationwide failed to recognise the vulnerability of his situation and the enormous stress and pressure he was under, given that he'd separated from his long-term partner. And, he says, he was made to feel like Nationwide was doing him a favour by allowing the application, particularly because it had to be done on a 'manual basis' due to the initial set up of the mortgage (alongside a help-to-buy loan).

In particular, Mr K says:

- When he asked Nationwide's mortgage advisor about a deed of postponement, he was told to contact head office, which, in turn, told him his mortgage advisor should help him.
- Nationwide failed to adhere to commitments or give updates.
- He had to chase Nationwide at every stage of the process.

In its final response letter dated 4 July 2025, Nationwide, having listened to call recordings, agreed that delays caused by manual keying of information were not explained to Mr K and it should have kept him updated. But it said, while Mr K found some of the requests for information during the decision in principle process inconvenient, they were needed. To acknowledge its failings, Nationwide said it would pay Mr K £150 and that he could expect to see that in his bank account on 7 July 2025.

Mr K responded saying he thought a more appropriate amount of compensation was £350 and would accept that as a resolution to his complaint.

Nationwide initially didn't agree to increase its offer. But when it failed to pay the original offer by 7 July 2025 as it had promised, it increased its offer by £25 to £175.

Dissatisfied with Nationwide's offer Mr K asked us to consider his complaint.

In our investigator's opinion, Nationwide's offer to resolve Mr K's complaint was fair. He pointed the parties to the guidance on our website about awards for distress and inconvenience. And he quoted the following from that guidance:

*If an error has caused the consumer more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then an apology won't be enough to remedy the mistake.*

*An award between £100 and up to £300 might be suitable where there have been repeated small errors, or a larger single mistake, requiring a reasonable amount of effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.*

Our investigator explained he was satisfied from the evidence provided that an appropriate award in this case falls within the £100 to £300 bracket. So, he thought Nationwide's offer of £175 in the circumstances was reasonable.

Mr K didn't agree. He explained why he thought the nature of the individual errors in his circumstances "represent the most severe and impactful end of the compensation bracket." So, he said Nationwide should pay the maximum compensation in that range - £300.

Our investigator asked Nationwide if it was prepared to increase its offer to Mr K to resolve his complaint, but Nationwide said it thought its existing offer was fair.

As Mr K didn't accept our investigator's opinion his complaint 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.

To decide Mr K's complaint, I've thought about the likely impact on him based on his submissions, Nationwide's file notes and the recordings of the telephone calls Mr K had with Nationwide.

Having listened to all the available call recordings – from 16 May 2025 through to 4 July 2025 – I can understand why Mr K has found the process frustrating. In particular, I note that, when attempting to obtain information on a deed of postponement for the help to buy lender, Nationwide referred him back and forth between its mortgage adviser and its head office/call centre. I think Nationwide dealt with that issue poorly.

In addition, I heard that Mr K was put on hold on many occasions – sometimes for a little longer than seemed necessary – and I think Nationwide, in doing so and more generally, showed a lack of urgency. That may also have been why Mr K thought he needed to chase Nationwide as much as he did. I understand that must have been frustrating for Mr K as, given what he's told us, he felt the matter was urgent because of his circumstances.

From what I've seen, I'm in agreement that an appropriate award falls within the £100 to £300 bracket (as outlined above).

However, I think the overall time taken by Nationwide was reasonable given that it aligned to the length of time it told Mr K the process would take. And I think that it was reasonable that

the process took as long as it did, given the non-standard nature of Mr K's circumstances (the help to buy loan element and the further borrowing). So, I don't think the impact on Mr K has been significant in terms of time or monetarily.

Mr K has told us he thought Nationwide showed no empathy, given his personal circumstances. But, during the telephone conversations, Mr K was very 'matter of fact' about his personal situation. I don't think he came across as emotional or vulnerable. I heard that Nationwide mirrored his tone, and I think that was appropriate.

Mr K has also told us that, at times, Nationwide mentioned a manual process, suggesting it was doing him a favour. That wasn't my interpretation of Nationwide's response during any of the calls. Nationwide was responding to a reasonable request from Mr K. But it was an application, and Nationwide needed to satisfy itself that the new arrangement would be affordable and sustainable. It was made more complicated because of its non-standard nature, and I think that it was reasonable for Nationwide to point that out to Mr K. I think it did so to manage his expectations with regard to timescales, rather than to make him feel like it was doing him a favour or even to make excuses. I simply heard that it informed him of that aspect of the process.

I think it was reasonable that Nationwide increased its offer following it failing to pay Mr K when it said it would. But I haven't seen that specific failing had any significant impact on Mr K.

Overall, I do agree with Mr K that Nationwide should have handled his application for a transfer of equity better. But I don't agree with him on a number of points he's made about what happened. So, I also don't agree with him where he says the appropriate award level should be at the extreme end of the agreed award bracket. And I think that the £175 already offered is an appropriate award, taking all evidence into consideration. So, I don't find that Nationwide should increase its offer to resolve Mr K's complaint.

### **My final decision**

My final decision is that Nationwide Building Society does not need to increase its offer to Mr K to resolve his complaint. But, if it hasn't done so already, it should pay Mr K the £175 it has offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 December 2025.

Gavin Cook  
Ombudsman