

The complaint

Mr M complains that Nationwide Building Society is allowing his ex-partner to run a business from the mortgaged property. He says this puts the property, in which he has a financial interest, at risk.

Mr M asks for compensation and a decision as to whether Nationwide acted correctly.

What happened

Mr M took out a mortgage in 2016 jointly with his (now ex) partner. When they separated it was agreed that his ex-partner would remain in the property and make mortgage payments.

Mr M became aware that his ex-partner is running a business from the property. He says Nationwide shouldn't allow this to happen, and should have asked for his consent before agreeing to it. Mr M says this affects him emotionally and financially.

Nationwide said the business is considered a low-impact, home based business. Its current policy doesn't require it to notify account holders of such activity if it is made aware of it. It said it may not take any action if there's no indication that the business affects the structural use of the property or breaches any planning or insurance conditions, and it doesn't contravene the terms of the mortgage, or impact the use of the property as a residential property.

Nationwide said it can't intervene in disputes between account holders.

Our investigator said Nationwide didn't need to take any further action regarding the complaint.

Mr M didn't agree. He said this matter directly concerns the security of a joint mortgage and the lender's duty to manage and protect that security in accordance with its own lending conditions and regulatory obligations.

Mr M said this involves Nationwide's regulatory obligations, its failure to consult a joint borrower on a material change of property use, and its apparent disregard for potential breaches of mortgage and insurance terms. He said Nationwide had chosen to overlook the commercial use of a mortgaged residential property.

Mr M says his ex-partner might have continued to use his surname despite him sending an official letter insisting they don't do so. Mr M says this could be fraud and the reason Nationwide didn't seek his consent to alter the mortgage.

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.

We provide an informal dispute resolution service. I'm not required to respond to every point raised by the parties. What I must do is explain my reasons for reaching my decision about

what's fair and reasonable in all the circumstances of the complaint.

Nationwide has a charge (the mortgage) on the property owned by Mr M and his ex-partner. The terms and conditions of the mortgage contain provisions that protect its security interest in the property.

Nationwide says the business run by Mr M's ex-partner is considered a low-impact, home based business. It says it may not take any action if there's no indication that the business affects the structural use of the property or breaches any planning or insurance conditions, and it doesn't contravene the terms of the mortgage, or impact the use of the property as a residential property. Given the nature of the business being run from the property, I think that's reasonable.

Nationwide says its current policy doesn't require it to notify account holders of such activity if it is made aware of it. I don't think there's any requirement for Nationwide to tell Mr M that his ex-partner was running a business from the property or ask whether he consented to it.

Mr M says this affects him emotionally and financially as he has no control over his asset. He says he could face charges from the council, reputational harm and potentially incur legal fees dealing with the matter. He said it could devalue or damage the property, change it to mixed use, increase traffic and cause neighbours to complain.

Mr M provided a screen shot of a response from the local council. This says all landowners are responsible for a breach of planning control, regardless of whether they're in occupation. The response doesn't say there has been a breach of planning control.

I should explain that while we take law, regulation and good industry practice into account, we make our decisions based on what's fair and reasonable in the circumstances. While Mr M says this matter involves Nationwide's regulatory obligations, he hasn't identified any specific regulation that applies. As I said, I can't see that there's a breach of the mortgage terms. It would be for the insurer to raise any concerns about breach of a policy. And it's for Nationwide to make a commercial decision about its internal policies.

Mr M didn't provide evidence that the property has been affected by any of the events he says he's worried about, or that any of these events have actually happened. He didn't provide evidence he's been caused actual financial loss. I can't fairly find that Nationwide is responsible for Mr M worrying about events that haven't happened and might never happen. If there's an agreement in place as to what surname Mr M's ex-partner uses that's a matter between them. I think it's reasonable for Nationwide to say it can't intervene in a dispute between account holders.

Nationwide explained its position regarding the business run from the property. I don't think it's fair and reasonable in the circumstances to require Nationwide to take further steps regarding this complaint.

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 M to accept or reject my decision before 6 January 2026.

Ruth Stevenson
Ombudsman