

The complaint

This complaint's about an equity release mortgage that Mr and Mrs G took out in 2022 with Nationwide Building Society. The essence of Mr and Mrs G's complaint is that delays in getting the title deeds to their solicitors resulted in the mortgage offer expiring. The new offer was at a higher rate, which Mr and Mrs G think is unfair.

What happened

By way of a provisional decision dated 12 December 2023, I set out my provisional conclusions on this complaint. The following is an extract from the provisional decision.

The broad circumstances of this complaint are known to Mr and Mrs G and Nationwide. I'm also aware that the investigator issued a comprehensive response to the complaint, which has been shared with all parties, and so I don't need to repeat the details here.

Our decisions are published, and it's important that I don't include any information that might result in Mr and Mrs G being identified. Instead I'll give a brief summary of the key events, rounding the figures, and then focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint.

Mr and Mrs G's original mortgage offer was for £60,000, at an interest rate of 4.68% fixed for life. The offer was issued on 26 July 2022, with an expiry date of 6 September 2022, albeit the latter included an automatic 30-day extension provision, so to 6 October 2022. That was subsequently extended by a further seven days to 13 October 2022, but when the mortgage didn't complete by then, a new offer was required. This was issued on 19 October 2022, for the same amount, but now the interest rate was 5.97%, and this is the rate, fixed for life, on which the mortgage eventually completed.

The primary reason for the delay was confusion between Nationwide, its solicitors (a firm I'll call E) and Mr and Mrs G's solicitors (a firm I'll call S) over who held the title deeds, and who should request them. Nationwide rejected Mr and Mrs G's complaint that it was responsible for them being on the higher rate.

Mr and Mrs G referred their complaint to us. When our investigator considered all the arguments and evidence, he concluded that Nationwide's contribution to the delays and confusion justified asking it to honour the terms of the original offer, and to pay Mr and Mrs G £400 compensation for their time, trouble and upset. Nationwide agreed to pay the £400, but didn't think it should have to change the mortgage to the lower interest rate.

Mr and Mrs G weren't prepared to accept the compensation payment on its own, so the case has been referred to me to review and decide.

What I've provisionally 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.

Having done so, I've reached a different conclusion from the investigator on how the case should fairly be settled; I'll explain why.

This is not a case that involves just one business; three separate business, Nationwide, E and S all played a part in the delay and confusion over the location

of the deeds and who should request them. My remit only covers the acts and/or omissions of Nationwide and E (as Nationwide's agent) and if I'm to find in Mr and Mrs G's favour, I have to be satisfied of two things:

- that there were errors and omissions on Nationwide's (and/or E's) part; *and*
- that such errors and omissions are the sole or primary reason Mr and Mrs G were unable to complete on the first mortgage offer.

On the first of these, our investigator was persuaded Nationwide had contributed significantly to the delay, and I am too. Where I differ from the investigator is on the second test, and the reason for this is simple. It is a matter of record that the deeds arrived in S' possession on 29 September 2022.

I've no doubt that if Nationwide had been more efficient in its handling of the deeds, they could have been in S' hands sooner than that. But the fact remains that S had the deeds on 29 September 2022, and that should have provided enough time for it to carry out its work and submit a certificate of title to Nationwide before 13 October 2022, thus enabling Mr and Mrs G to complete the mortgage on the terms of the July offer.

I don't know, and have no power to look into, why that didn't happen. It is, however, enough to break the chain of causation between Nationwide's contribution to the delays in getting the deeds to S and the mortgage not completing before the first offer expired. Mr and Mrs G are due fair compensation from Nationwide for the delay, and I agree that in all the circumstances, £400 is broadly fair. But for the reasons I've set out, Mr and Mrs G aren't due redress from Nationwide for their mortgage completing on the higher interest rate contained in the second offer."

I gave the parties three weeks to add anything further before I finalised my decision on this case. Both did so sooner than that, confirming they agreed with the provisional 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've considered afresh everything that both parties have said and provided. Having done so, I won't be departing from my second provisional decision.

My final decision

My final decision is that I uphold this complaint, by ordering Nationwide Building Society to pay Mr and Mrs G £400 compensation for their time, trouble and upset.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 30 January 2024.

Jeff Parrington

Ombudsman