

The complaint

Mr and Mrs C complain that delays they say were caused by Nationwide Building Society's solicitors meant their lifetime remortgage didn't complete before the offer expired.

What happened

Mr and Mrs C spoke with Nationwide in May 2022 with a view to applying for a lifetime mortgage to repay their existing mortgage. They submitted an application in June 2022 and a mortgage offer was issued on 5 July 2022. The offer was valid until 6 August 2022.

Mr and Mrs C had chosen solicitors from Nationwide's panel, but the solicitors chosen weren't able to act for remortgages in Scotland. Nationwide emailed Mr and Mrs C on 21 July 2022 to tell them they'd need to instruct new solicitors. Mr C provided details of the new solicitors on 25 July 2022. The mortgage offer was extended to 17 September 2022. This was later extended until 22 September 2022.

Nationwide's solicitors say that all documents were provided to Mr and Mrs C's solicitors on 17 August 2022. The documents were returned by Mr and Mrs C's solicitors on 7 September 2022 and received the following day by Nationwide's solicitors. Nationwide's solicitors weren't able to request a redemption statement from the existing lender until this was received as it needed the existing account number.

Nationwide's solicitors requested a redemption statement from the existing lender on 9 September 2022. But the redemption statement wasn't sent until 20 September 2022 and received by Nationwide until 26 September 2022. The mortgage offer expired and Mr and Mrs C complained due to the rate they were being offered increasing.

Nationwide accepted that there had been a minor delay caused by it not passing on details of the new solicitor in a timely manner. It paid Mr and Mrs C £200 compensation for this. But Nationwide said the delays which meant the mortgage couldn't complete before the offer expired were down to Mr and Mrs C's solicitors and delays in the redemption statement being received.

Unhappy with this response, Mr and Mrs C referred the complaint to our Service where one of our Investigators looked into matters. Our Investigator didn't think that delays by Nationwide meant the mortgage couldn't complete in time. He said the £200 compensation already paid was fair and didn't recommend the complaint be upheld.

Mr and Mrs C didn't accept this and asked for the complaint to be considered by an Ombudsman. So, it's been passed to me to make 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've summarised the timeline of events within the background section here. I've based this

on information provided by both Mr and Mrs C and Nationwide's contact notes and email train.

I think that an error was made by Nationwide in allowing Mr and Mrs C to select a solicitor who couldn't act for remortgages in Scotland. However, it seems this was resolved within around three weeks from the offer being issued. Nationwide also extended the offer for 30 days, and later another five days. So, I think any error here has been put right by this extension.

Nationwide has also recognised that it could've passed details of the new solicitors acting for Mr and Mrs C to its own solicitors sooner. This is why it's paid them £200 compensation.

All documents were sent to Mr and Mrs C's solicitors on 17 August 2022. These documents weren't returned until 7 September 2022. It's unclear what caused this delay. But I can't say that Nationwide was responsible for this. It seems that it still would've been possible for the remortgage to complete before the offer expired at this point. But Nationwide still required the redemption statement from the existing lender.

I can see that the redemption statement was requested on 9 September 2022. Unfortunately, this wasn't produced by the lender until 20 September 2022 or received until 26 September 2022. By this point, the offer had expired. Ultimately, it's this delay that I think meant the remortgage couldn't complete before the offer expired. And as this isn't the fault of Nationwide, I can't say it should be responsible for any loss incurred here.

I understand that Mr and Mrs C will be disappointed by this decision. And, as I've said, I agree there have been some delays caused by Nationwide. But I don't think these delays were the reason the remortgage couldn't complete before the offer expired.

It was fair and reasonable for Nationwide to extend the offer by over 30 days in order that it could possibly complete in time. And I think the £200 compensation its paid to recognise the delays it did caused is fair in the circumstances. So, I'm not going to ask it to do anything further.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 28 December 2023.

Rob Deadman
Ombudsman