

The complaint

Mrs W complains that Nationwide Building Society did not remove her ex-partner from a joint account when they should have done, and they sent text messages to her ex-husband.

What happened

Mrs W says her ex-partner and her completed a form at a Nationwide branch to remove him from the joint account, but the branch lost this, so they completed another form. But he still wasn't removed from the account. Mrs W says that on 15 November 2022 she rang Nationwide to chase the progress as her ex-partner had still not been removed from the account. She says she was told signature verification had to be sent to her ex-partner to complete, but this was later identified to have been sent to an old address.

Mrs W says she made a call to Nationwide with her ex-partner, and she says they were told the removal would now be processed, but this didn't happen. Mrs W was in the process of purchasing her house, but as the Nationwide statements had her ex-partners name on them, she says this was a massive issue as he paid maintenance to her which was to count as her income. She says it was only in late March 2023 he was removed.

Mrs W says that she applied for a mortgage with a third party provider in April 2023, and the interest rate was 4.1%. She says the mortgage provider ran another illustration with her ex-partner's maintenance payments removed as they couldn't accept this income with him still showing on the statements. But she said they wouldn't be willing to lend on this basis. Mrs W says the mortgage provider would accept at least one statement in her sole name. Mrs W says that a Royal Institute of Chartered Surveyors (RICS) survey had been completed and that had a 90 day expiry to complete the mortgage, so waiting for a statement to arrive in her sole name to arrive late April/early May 2023 was not an option.

Mrs W says on 24 April 2023 it was deemed there was no workable option to proceed with the mortgage she wanted, so an application was completed with a different mortgage provider. But during the time she agreed the mortgage with her initial provider and her new provider, interest rates increased, so the best rate she could get was 4.41%, so she says she's been significantly disadvantaged by Nationwide's failure to remove her ex-partner from the account. Mrs W made a complaint to Nationwide.

Mrs W also raised another complaint as on 1 August 2023, she received a text message from her ex-husband (they had divorced several years earlier), informing her he'd received a number of text messages from Nationwide which confirmed her account balances, low balance alerts and a notification her rent payment wasn't going to be paid due to insufficient funds. Mrs W had not received these messages from Nationwide herself, and her direct debit payment for her rent wasn't paid. She says there was also distress caused as the implication to her ex-husband was that she couldn't care for the children with no money. She said when she had the joint account with her ex-partner (not her ex-husband), she had been receiving the alerts from Nationwide, but this changed when he was removed.

Nationwide partially upheld Mrs W's complaint points and offered her £500 compensation. They said they received a removal of account holder form signed by both account holders on

9 November 2022. But as they couldn't match their signatures, they wrote to both account holders, asking them to contact Nationwide to confirm the request was genuine. They said Mrs W called them on 15 November 2022 and her ex-partner called them on 2 February 2023 to verify this request. Nationwide said they should've removed her ex-partner from the account within 10 working days from 2 February 2023, but due to an admin error on their part, he was only removed on 27 March 2023.

Nationwide said they were unable to pay the difference between the two mortgage rates as there wouldn't have been sufficient time for them to have produced three bank statements in Mrs W's sole name (if they'd not delayed the processing of the request in February 2023). Nationwide said due to a computer glitch, her ex-husband recently started to receive text alerts on Mrs W's account despite being removed from the account in late 2018. Mrs W brought her complaint to our service.

Our investigator upheld Mrs W's complaints. She said Mrs W is not in the same financial position she would have been in if the delays in removing her ex-partner hadn't occurred. She said Mrs W had to switch mortgage providers because Nationwide hadn't completed the removal process within their timeframes. She said Nationwide should pay her the difference between the two mortgage payments for the five year term and pay her £200 for this issue. She thought the £300 compensation was fair for Mrs W's ex-husband being sent text messages.

Nationwide asked for an ombudsman to review her complaint. They said they feel the delay in Mrs W's ex-partner contacting them was the main reason Mrs W could not proceed with her preferred mortgage which is why her mortgage advisor suggested using another lender.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see Mrs W had a webchat with Nationwide on 1 November 2022, about removing her ex-partner from the account. A form was sent, and this was completed. But unfortunately their signatures could not be verified. So Nationwide sent both parties a letter saying they needed to verify themselves. Mrs W received the letter as I've listened to a phone call she's had with Nationwide on 15 November 2022.

The call handler says she will pass it on to the account additions and deletions team and they'll get the account holder added. Mrs W may have misheard the call handler as she didn't correct the call handler that a holder needed to be removed not added. But as Nationwide hadn't heard from the other account holder at that point, then I wouldn't have expected them to be able to remove her ex-partner from the account.

Mrs W rings Nationwide on 2 February 2023, which I've listened to this call. She tells the call handler she's been trying to remove her ex-partner for "two or three months". The call handler confirms Mrs W rang them after receiving the letter, but the other account holder didn't, so that is why the account is still joint.

The call handler confirms they also asked the other account holder to contact them, but Mrs W says they've moved address. Mrs W says her ex-partner will be coming over to hers in ten minutes time, and when he gets there they can give Nationwide a call back. Mrs W asks if the letter for her ex-partner has gone to a certain address, but the call handler couldn't confirm this. Mrs W says if it's went to a certain address then he may have ignored the letter. The call handler confirms she can see both of the letters that have been sent and a note to

say both letters had been sent.

It appears that Mrs W's ex-partner did ring Nationwide later this day. I'm unable to listen to this call as the complaint is just in Mrs W's name but based on her saying he would be at hers in about ten minutes, and Nationwide confirming they did speak to him on 2 February 2023 and this is when the removal should have started from, I don't doubt that the process was completed on this call.

So it does appear that while Nationwide received the form in November 2022, they could only verify Mrs W's ex-partner on 2 February 2023. On neither the November 2022 nor February 2023 call that I listened to did Mrs W tell Nationwide that he was on the phone with her when he called, the indication from Mrs W is that he wouldn't have received the letter. But as Mrs W's ex-partner was still on the account, it would be his responsibility to inform Nationwide if he moved address. So I can't hold Nationwide responsible if Mrs W's ex-partner did not update them with his new address.

Even if the branch hadn't of lost a form (Nationwide have not confirmed that they did), then it's likely the same outcome would have occurred on the basis the account additions and deletion team wouldn't have been able to verify the signatures and they would have sent letters possibly slightly earlier to Mrs W and her ex-partner, but it's likely her ex-partner either wouldn't have received the letter or not responded, in the same way he didn't when Nationwide wrote out to him in November 2022.

While I can empathise with Mrs W's position that she wasn't responsible for any delays and she often had to chase Nationwide for updates, I'm unable to hold Nationwide responsible for the delays in Mrs W's ex-partner contacting them.

But Nationwide did delay things from 2 February 2023. Mrs W rings Nationwide on 24 March 2023, which I've listened to this call. She confirms that in the previous month her ex-partner had to ring up to remove his name from the account. So I'm satisfied this was done in February 2023 and not November 2022. The call handler says she's put an urgent request through to the relevant team, and she'd give her a call on Wednesday with an update (29 March 2023). Mrs W says she's been told her mortgage provider could accept three statements as long as the most recent one of them shows just her own name. The call handler says they can print them off in the branch and they can stamp them with the branch stamp.

Nationwide have not been able to locate the call recording for 29 March 2023, so I'm unable to hear what was said in this call. But I can see that Mrs W's ex-partner was removed on 27 March 2023.

So if Nationwide had acted in ten working days of 2 February 2023, when they had the verification from her ex-partner, then based on her statement dates, it's likely the February and March 2023 statements would have just shown Mrs W's name.

But I also need to be mindful that Mrs W did not have a mortgage offer at any stage from her preferred mortgage provider. So I can't say if the application would have been accepted by them. From the information forwarded to me I can see the mortgage provider requested three documents including an accountant's certificate. I can see on an email Mrs W's mortgage consultant sent her on 13 September 2023 that he tells Mrs W "There was some emails between us between 11th and 18th regarding to the accountant however the decline was 100% on the 20th Apr". So it's possible the accountant information was not accepted by the mortgage provider also.

The information provided shows that the application decision was outside of the mortgage

provider's lending policy on 20 April 2023. Above this, it says "Lender amended application to remove maintenance on 24/04/2023". So if this information is accurate, it would appear the lending was outside of the mortgage providers lending policy before the maintenance was removed four days later, unless the date is a typo, and this should be 20 April (not 24 April).

Mrs W's mortgage consultant also tells Mrs W in an email dated 13 September 2023 that "I have nothing from (the mortgage provider) that states specifically they have declined due to (her ex-partner) being on the Nationwide account sorry", so I'm unable to conclude that the mortgage was declined solely due to Mrs W's ex-partner not being removed from the statements when he should have been.

I can empathise with the tight timescales Mrs W was facing due to the expiry of the RICS survey, and the urgency of not losing the chance to own the property (or having to start again). But her Nationwide statement dated 25 April 2023 did have her sole name on it, and this could have been only the day after the maintenance was removed by the lender (if the date was correct).

It's unfortunate that Mrs W didn't provide the April 2023 statement to the mortgage provider which would have been available on 25 April 2023 (and the branch confirmed they could have even printed this off and stamped it). But it appears that the day before the new statement was ready, on 24 April 2023 an application for a mortgage was made with another mortgage provider. And Mrs W's mortgage consultant told Mrs W "Due to the expiry of the RICS survey (90 days) I then recommended switching lenders". So I'm unable to hold Nationwide responsible for any recommendations Mrs W's mortgage consultant gave her as this is out of their control.

It may have also been possible for Mrs W to provide the preferred mortgage provider with the relevant statement in the days after the decline, even though she had an illustration with a new provider. I can see the mortgage application for her new provider appears to have been approved on 8 June 2023, so this could have been a possibility if she wanted the first mortgage – if they would have approved this for her.

While I have a great level of empathy for Mrs W here, it is not proportionate to ask Nationwide to pay the difference between the mortgage she wanted to take out and the mortgage she did take out. I can't evidence that the application would have definitely been accepted if her ex-partner had been removed from the account sooner, and her mortgage consultant made a recommendation to switch lenders the day or days before her new statement was available.

I'm satisfied that the £200 compensation that Nationwide offered Mrs W on this part of her complaint was fair. I say this as there were delays in removing her ex-partner. While Mrs W had done what she needed to do in November 2022, her ex-partner hadn't, so I wouldn't expect Nationwide to remove him from the account on this basis. But they should have done this within ten working days of 2 February 2023, when they could verify him, and the delay did cause Mrs W distress, and inconvenience with her having to contact Nationwide to find out why he hadn't been removed from the account.

When Mrs W's ex-partner was removed from the account, Nationwide sent several texts to her ex-husband. This would have been very distressing for Mrs W. And I can empathise with how she must have felt, especially given that they had divorced several years earlier, and due to the nature of these texts giving him information about her finances.

I'm persuaded £300 is fair for what happened here. While the texts to him were stopped promptly when Mrs W informed Nationwide about this, it would be distressing for Mrs W.

Nationwide have not been able to say how this happened, but I'm persuaded it was related to Mrs W's ex-partner being removed from the account. Nationwide offered Mrs W £500 compensation in total for the errors. I'm satisfied that this is a fair offer for what happened for the reasons I've already given. So I intend to ask Nationwide to pay Mrs W the £500 compensation that they offered her."

I invited both parties to let me have any further submissions before I reached a final decision. Nationwide accepted the provisional decision. Mrs W did not accept the provisional decision. She made a number of points. In summary, she said when she was together with her ex-partner, they lived together, but when they separated, he did not update his address with Nationwide as he didn't access the joint account. She said she swapped house with her mother, so the signature verification would have been sent to her mother's address, but no letter had been received by Nationwide.

Mrs W said that her ex-partner rang Nationwide on 2 February 2023, and he was adamant that he had not received the signature verification letter, and he challenged Nationwide on where the letter was sent, because he had not updated his address. She says the agent on the phone confirmed that the letter may have gone to a previous address of her ex-partner, but he hadn't lived there since 2009.

Mrs W clarified that the accountant's certificate was received and accepted by her preferred mortgage provider. She also wanted to clarify that the sentence of *"I have nothing from (the mortgage provider) that states specifically that they have declined due to (her ex-partner) being on the Nationwide account"* was not made in a way that is suggested that there be any ambiguity or doubt as to the reasoning for the decline, as her and her mortgage advisor were both well aware as to where and why the process failed and she had to move lender.

Mrs W has said that on 20 April, when it was evident that she was not able to meet even the providing of one statement in her name, the application process was declined, on this basis alone. She said on 24 April, (which was the RICS survey deadline date), in one last ditch attempt to try and save the mortgage, her mortgage advisor tried switching the proof of income to SA302 certificates to prove employment income, however these documents relate to employment income only, so the application was amended to see if borrowing could be achieved without the need to consider maintenance payments at all. She said the mortgage value could not be achieved without them, and the lending was outside of her preferred mortgage provider's policy without those payments. So, this was the basis of the comments.

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'd like to thank Mrs W for clarifying some of the points regarding actions which were taken due to the urgency of needing to act by the RICS deadline. Although this complaint is just in Mrs W's name, it was critical for me to see where Nationwide sent the signature verification letter for her ex-partner. So Mrs W's ex-partner kindly gave our service consent for Nationwide to send us this letter and the phone call he had with them on 2 February 2023.

I can confirm to Mrs W that Nationwide sent her ex-partner a letter dated 9 November 2022. I've seen this letter. The letter contains the text *"We're sorry to hold things up, but we need to ask you some security questions before we can complete your request. This is because we can't verify your signature on the application form; and to protect you from fraud we need to check it's you that's asked for this change."*

It also says *"Please call us on the number above. You'll need your account details and this*

letter to hand when you contact us. Just so you know, if we don't hear from you within 14 days from the date of this letter, your request will expire. If this happens, you'll need to start the application process again; but before doing this we'd recommend that you update your signature in your local branch."

I can also confirm that the address displayed on this letter was the address Mrs W says she swapped with her mother. I asked Nationwide for her ex-partners address history with them, and this shows the same address from 1 March 2019 – to date. It was not updated when her ex-partner left that address.

So as Nationwide sent the letter to the registered address for her ex-partner on their system, and he didn't contact Nationwide as instructed in the letter, I can't fairly say that Nationwide were responsible for all of the delays which resulted in Mrs W missing out on the chance to get a mortgage with her preferred mortgage provider.

I've listened to the call Mrs W's ex-partner had on 2 February 2023. He verifies he made the request, and he asks the call handler how long it would take for him to be removed from the account. He is told it would take 10 working days. So Nationwide would have until 16 February 2023 to remove him from the account, but this didn't happen until 27 March 2023 which was over five weeks after they should have removed him. But it was nearly three months since Nationwide had sent the letter to Mrs W's ex-partners registered address. So I can't fairly say Nationwide were at fault for the majority of delays.

I can't agree with what Mrs W has said about the agent on the phone confirming to her ex-partner that the letter may have gone to a previous address of her ex-partner, as the call handler didn't say this. He did give two postcodes on the call, and the second postcode matched the postcode of the address of the letter they sent him dated 9 November 2022.

Mrs W did originally need three bank statements in her name which due to when Mrs W's ex-partner should have been removed from the account, wouldn't be able to be met, as she would only have these by 25 April 2023, and as Mrs W has already told us this would be too late. Mrs W has told us that her preferred mortgage provider did tell her they could accept one of these statements in just her own name, so if Nationwide did remove her ex-partner from the account when they should have done, she would have been able to provide this. While Mrs W has no evidence of this as emails have not been retained after she moved to a new mortgage provider, I don't doubt what she's told us about this.

But I'm unable to evidence that the removal of Mrs W's ex-partner from the Nationwide account was the sole reason why her preferred mortgage provider declined her application. I've noted the strength of feeling that Mrs W has that this is the case but based on the limited information provided to our service from her preferred mortgage provider, I'm unable to conclude that the sole reason she was declined for the mortgage with her preferred mortgage provider was due to her ex-partner not being removed from her account in time. And based on Nationwide sending the letter to her ex-partners registered address I'm unable to conclude that Nationwide were responsible for the majority of the delays and should therefore pay the difference between the mortgage payments Mrs W would've had with her preferred mortgage provider and the mortgage payments of her new mortgage provider.

In summary, Mrs W's response hasn't changed my view and my final decision and reasoning remains the same as in my provisional decision. If Mrs W is disappointed, I hope she understands my reasons.

My final decision

Nationwide Building Society has already made an offer to pay £500 to settle the complaint and I think this offer is fair in all the circumstances.

So Nationwide Building Society should pay Mrs W £500. But I don't require them to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 5 August 2024.

Gregory Sloanes
Ombudsman