

The complaint

Ms A has complained about delay by The Mortgage Works (UK) Plc in processing the redemption of her mortgage and in refunding a credit on the account.

Ms A wants TMW to compensate her for distress and inconvenience.

What happened

I do not need to set out the full background to the complaint. This is because the history of the matter is set out in the correspondence between the parties and our service, so there is no need for me to repeat the details here. In addition, our decisions are published, so it's important I don't include any information that might lead to Ms A being identified. So for these reasons, I will instead concentrate on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it; rather, it'll be because I didn't think it was material to the outcome of the complaint.

In its final response letter, TMW acknowledged it had received the final payment on 12 August 2022, and that the full closedown of a mortgage account generally takes around 20 working days to complete (so by 12 September 2022, given that 29 August was a Bank Holiday). However, TMW didn't send the closing letter until 27 September 2022, 11 working days later.

TMW also explained that, as there was no direct debit in place, in order to process the refund TMW needed to verify Ms A's bank details. TMW said that it hadn't been able to speak to Ms A to obtain these. The refund was made to Ms A on 9 October 2022.

TMW acknowledged its service hadn't met the standard Ms A should have received, and paid her £75 compensation.

Ms A didn't accept this and complained to our service. An investigator looked at what had happened, but thought the £75 compensation was fair and reasonable. Ms A disagreed and asked for an ombudsman to review the complaint. She said that she thought TMW was using the issue of not having her bank details as an excuse, and that she knew TMW was lying about this, as it had her details all along. Ms A said that this is the main point about which she is concerned.

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.

Because TMW has accepted it made errors, I don't need to analyse what happened in detail; all I need to decide is whether TMW has done enough to put things right.

TMW has acknowledged that the delay in closing the account caused upset to Ms A. That's because, in the interim, a system-generated letter was sent to her saying the mortgage hadn't been paid. I completely understand how upsetting that must have been for Ms A.

I'm aware that Ms A feels very strongly that TMW was lying to her about needing to verify her account details. However, I think it was reasonable for TMW to want to verify the account details for the refund, as it no longer had an active direct debit and so couldn't be sure that Ms A would want the refund paid to the account TMW had on record for the direct debit. TMW had some difficulty contacting Ms A about this; although TMW didn't know this at first, this was because Ms A was ill and wasn't able to speak to TMW.

Ms A was also unhappy that TMW hadn't sent correspondence by recorded delivery. I can't tell TMW how to run its business, and it is not TMW's standard procedure to send letters in this way; TMW uses ordinary post. If Ms A is having issues receiving her mail, that's something she'll need to take up with Royal Mail.

Overall I'm satisfied that the £75 compensation paid for the administrative errors made by TMW is fair, reasonable and proportionate to the delays and mistakes made. I therefore don't think TMW is required to do anything further.

I don't know if Ms A cashed the cheque TMW sent her, but if not, it has probably expired now. If Ms A wants to accept my decision and the cheque has not been cashed, TMW will need to reissue it, or make payment to Ms A's bank account, details of which she can provide to our investigator.

My final decision

The Mortgage Works (UK) Plc has already made an offer to pay £75 to Ms T to settle the complaint, and I think this offer is fair in all the circumstances. I'm not making any other order or award as I do not uphold any other part of the complaint. So my decision is that The Mortgage Works (UK) Plc must pay Ms A £75 in full and final settlement of her complaint.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 31 October 2023.

Jan O'Leary
Ombudsman