

## **The complaint**

This complaint is about a buy-to-let (BTL) mortgage Mr and Mrs B had with The Mortgage Works (UK) Plc (TMW). Mr B, who has dealt with the complaint throughout has complained about the following matters:

- TMW failed to notify him that the fixed interest rate product on the mortgage was due to expire on 30 November 2022;
- TMW failed to send details of new rates by post before the interest rate product expired;
- after paying off the mortgage in December 2022 TMW failed to send a closure confirmation letter, or a statement of the mortgage from March-December 2022;
- a refund of an overpayment wasn't made on time;
- Mr B isn't happy about the way TMW handled his complaint.

To settle the complaint, Mr and Mrs B want TMW to pay them compensation.

## **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 Mr and Mrs B 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.

An investigator looked at what had happened. He noted TMW had sent a letter about expiry of the interest rate product to Mr and Mrs B on 13 October 2022. He was also satisfied that TMW had made Mr B aware that he could view available rates online, or speak to a mortgage broker.

The investigator noted that TMW had taken 14 days to process an overpayment refund after the mortgage was redeemed. He thought TMW should pay compensation of £75 for this. He also clarified that complaint-handling isn't a regulated activity, and so wasn't able to comment on this.

Mr B didn't agree with the investigator's findings. In summary, Mr B said that he'd had to borrow £30,000 from his daughter to help pay off the mortgage, who he had to pay back. In addition, although he'd asked TMW to send a closing statement on 9 January 2023, it failed to do so. TMW had nothing further to say in response to the investigator's findings.

## **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.

Having done so, I've reached the same conclusion as the investigator, for broadly the same reasons.

TMW's records show that a letter was sent to Mr and Mrs B in October 2022 reminding them that the interest rate product on their mortgage was due to end the following month. I accept what Mr B says – that he didn't receive this letter. However, non-delivery of mail would be the responsibility of Royal Mail, and isn't something within TMW's control.

TMW doesn't send details of new interest rate products through the post. That's because rates can change overnight and so postal information isn't necessarily going to be accurate. Given this, I'm satisfied that it's reasonable for TMW to publish its available interest rates online. Mr and Mrs B could, if they'd wanted to, have selected a new rate online or through their own independent financial adviser.

Instead Mr and Mrs B decided to redeem the mortgage. That was a decision they were entitled to make, as the mortgage was outside the early repayment charge period from 1 December 2022. Mr B said that he had to borrow £30,000 from his daughter towards the redemption. However, that was his choice, and so any cost or impact on Mr and Mrs B as a result of doing this isn't something for which I can hold TMW responsible.

I can see there were some customer service failings – not sending a closure confirmation letter, delay in sending a statement on the account for March-December 2022, and a slight delay in processing a refund. I agree with the investigator that £75 compensation is fair and reasonable for this.

I also note that Mr B isn't happy with the length of time TMW took to respond to his initial complaint, as it took more than 8 weeks for it to issue a final response. Our rules set out the matters that we can look at as being; regulated activities, payment services, lending money, paying money by plastic card, and ancillary banking services. In addition, we can consider complaints about ancillary activities carried on in connection with the above.

The handling of complaints is not itself a regulated activity. It's something that the regulator requires financial businesses to do. But that isn't enough to make it a regulated activity within the meaning of the rule; that is, one from the list of activities set out in the legislation from which we derive our powers.

We're able to consider concerns about complaint handling in some limited circumstances, for example, if we're upholding the underlying complaint that a consumer believes was mis-handled and the issues with the complaint handling are directly linked, in which case the way the complaint was dealt with would be ancillary to the regulated activity. But a delay in TMW sending its final response letter isn't something that is ancillary to a regulated activity, and so I can't comment any further about this.

### **Putting things right**

For its customer service failings, as detailed above, The Mortgage Works (UK) Plc must pay compensation to Mr and Mrs B of £75. I make no other order or award.

### **My final decision**

My final decision is that I partly uphold this complaint. I direct The Mortgage Works (UK) Plc to settle the complaint as detailed above.

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 Mrs B and Mr B to accept or reject my decision before 18 December 2023.

Jan O'Leary  
**Ombudsman**