

## The complaint

Mrs C and Mr C have complained that Elderbridge Limited didn't notify them about missed payments on their mortgage between 2018 and 2021.

## 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 issued a provisional decision earlier this month, the findings of which said:

*"Mrs C has said that she'd agreed with Mr C that he would make the payments to this secured loan, but the evidence we have doesn't show that Elderbridge was aware of that.*

*Having reviewed the contact notes it is recorded that Mrs C and Mr C split up in 2012, and that Mrs C was paying this loan from a bank account in her sole name. The notes indicate that in September 2017 Mrs C called to set up a new direct debit as she had a new bank account.*

*The letter from Mrs C to Elderbridge in February 2018 was in response to a letter it sent her stating the direct debit had been cancelled and the account was in arrears of over £15,000.*

*In that letter Mrs C said that she enclosed a completed direct debit mandate and asked for a reduced payment arrangement for six months due to her ill health. She'd completed a new direct debit mandate with the payments to be taken from an account in her sole name.*

*There's nothing after that to indicate Elderbridge was made aware that Mr C would be paying rather than Mrs C, and Mrs C's letter in February 2018 said she would still be paying (albeit she wanted a reduced payment arrangement).*

*Elderbridge has acknowledged it missed an opportunity at that time when it didn't respond to Mrs C's letter and for that it has said it will put the account on a 0% interest rate, backdated to February 2018. Having considered everything I think that is a fair and reasonable offer for Elderbridge to have made. It should have done more in February 2018, and by removing the interest charged since then I think it has done enough to put that failing right.*

*That leaves the payment of compensation that our investigator recommended. I've considered this issue very carefully but I'm not persuaded any compensation is due. I'll explain.*

*Mrs C has said that she wasn't told by Elderbridge that no payments were being made, but she would have been aware that she'd asked for a new direct debit to be set up and reduced payments of £125 a month to be collected from her sole-named bank account.*

*She also would have been aware those payments hadn't been collected from her bank account.*

*I agree that Elderbridge could have done more to notify Mrs C and Mr C of the lack of payments over the years, but equally I'm satisfied Mrs C and/or Mr C – and I must keep in mind this is a complaint that has been brought by both of them jointly – would have been aware that payments hadn't been made.*

*Most of the contact over the years had been with Mrs C, and the last contact before the payments ceased was Mrs C wanting to set up a direct debit from her sole-named bank account, indicating she was intending to make the payments going forward.*

*At the time the payments ceased in February 2018 the account had already been in arrears for six years, with the arrears balance standing at around £15,700. Elderbridge has said it will remove all the interest charged since February 2018 and having considered everything very carefully I'm satisfied that offer goes far enough and that no further payment of compensation is due."*

Both sides confirmed receipt of my provisional decision and had no further submissions to make. Having considered the whole file afresh I see no reason to depart from the findings in my provisional decision.

### **My final decision**

I uphold this complaint, but I'm satisfied the offer made by Elderbridge Limited to move this secured loan to a 0% interest rate (backdated to February 2018) is fair and reasonable. I make no further order or award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 18 October 2022.

Julia Meadows

**Ombudsman**