

## **The complaint**

Mr and Mrs R complain about the way Landmark Mortgages Limited administered their mortgage account. They're also unhappy with the level of customer service they've received.

## **What happened**

Mr and Mrs R have a mortgage account with Landmark. Mr R complained in late 2020 when he received his mortgage statement which said, in January 2021, the contractual monthly payment (CMP) would be increasing from £199.43 to £217.59.

Landmark investigated Mr R's concerns and issued their final response at the end of December 2020. In this they explained a review of Mr and Mrs R's mortgage account is carried out each year on 30 November. As Mr and Mrs R's November payment hadn't been received on time, the overall balance was larger than expected for Landmark's system. Therefore, it calculated a higher CMP to ensure the remaining mortgage balance was repaid on time.

Mr R remained unhappy and said he wouldn't be paying the higher CMP. He also explained that Landmark should have been aware that he makes his payments a few days late each month due to when he receives his benefits. Landmark explained to Mr R that their position remained the same. They also explained that when this happened in previous years, they had recalculated Mr and Mrs R's CMP as a gesture of goodwill. However, they didn't think it was fair or reasonable to do so because the mortgage was due to end in January 2022. So, Landmark needed to ensure there wouldn't be an outstanding balance by that date.

Landmark's responses didn't satisfy Mr R and he continued to pay the lower CMP. He also continued to raise complaints about the revised CMP. This resulted in Landmark sending another final response in March 2021, and they explained the account was in arrears. But two days later Landmark wrote to Mr and Mrs R saying they'd made a mistake, and that their mortgage account was in advance.

Over the coming months, Mr R continued to complain about the CMP recalculations, and continued to pay the lower CMP. But in May 2021, Mr R asked Landmark to remove any credit from his mortgage account and recalculate his CMP. Landmark agreed to do this and gave Mr R a figure of £216.90. They then realised this was incorrect and explained the correct CMP would be £198.46. However, despite receiving the recalculated CMP, Mr and Mrs R continued to pay £199.43 towards their mortgage.

Mr and Mrs R remained unhappy with the overall administration of their mortgage and the customer service provided by Landmark. So, they raised several more complaints. They also made a subject access request. But after this took longer than anticipated to be completed, and Mr R was unhappy with the documentation provided, he raised further complaints.

In December 2021, Landmark wrote to Mr and Mrs R explaining they would be writing off the remaining balance from the mortgage and closing the mortgage account. This was to apologise for sending a mortgage statement with incorrect calculations the previous month.

Mr and Mrs R didn't make any further payments towards the outstanding balance. However, they refused to allow Landmark to close the account until our Service had completed its investigation.

Our investigator looked into Mr and Mrs R's complaint in March 2021. He didn't think the complaint should be upheld as he thought Landmark had calculated the CMP correctly. Mr R disagreed and asked for a final decision.

As detailed above, Mr and Mrs R remained unhappy with Landmark. So, while waiting for a final decision, they raised several more complaints. This means their complaint had evolved significantly.

Mr R said he wanted us to look into the additional complaint points, and Landmark agreed to us doing so under this case reference. As there were new points that hadn't previously been addressed, I was required to set out my findings in a provisional decision.

I issued my provisional decision on 3 November 2022. I explained there were occasions when Landmark had incorrectly calculated Mr and Mrs R's outstanding balance and CMPs. I was also minded to say Landmark hadn't provided the level of customer service I'd expect. But overall, I was satisfied Landmark's offers were fair when considering how to put things right.

Mr and Mrs R and Landmark had until 8 December 2022 to provide any additional comments or points for me to consider. Landmark accepted my provisional decision, but Mr and Mrs R disagreed because they felt:

- I'd misunderstood the heart of their complaint.
- I should have commented on the previous final decision issued in 2017.
- My provisional decision didn't comment on everything that had happened.
- Landmark hadn't stuck to a legally binding agreement about their CMP.
- Landmark still hasn't explained what went wrong and why.
- They can't be confident Landmark won't try and pursue them for an outstanding balance in the future as they've made numerous mistakes when calculating their outstanding balance.
- They've not received all the information they've requested.
- There's been no improvement in the customer service provided by Landmark despite our previous involvement.
- Landmark's goodwill gestures are just an attempt to rectify mistakes they've made over the last five years – and he finds their offers insulting.

I've considered all the points raised by Mr and Mrs R, alongside the evidence we already had on file. Having done so, my decision remains the same.

### **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 considered everything, I'm upholding Mr and Mrs R's complaint. I know the award isn't what they hoped for, but I'll explain my reasoning below.

Mr and Mrs R's complaint is made up of multiple issues and it's clear they feel very strongly about what's happened. While I'm not obligated to comment on every point and/or concern, I'm sorry that my provisional decision made them think I'd missed or not considered everything that's happened. I'd like to assure them that I've considered everything. However, given the events span a number of years it isn't practical for me to comment on everything that happened during that period of time. So, my decision will comment on the events I consider to be key in explaining the reasoning for my final decision.

I've noted Mr and Mrs R disagree with what I consider to be the heart of their complaint. However, after considering the points they raised, I believe that's due to a difference of opinion on the way the evidence should be interpreted. For that reason, I'm still separating this complaint into three broad headings, and will address the concerns accordingly.

#### Were Landmark's calculations correct?

When Mr and Mrs R first contacted us under this reference, they were unhappy Landmark had increased their CMP from £199.43 to £217.59. They were further frustrated by Landmark's decision to do this because they'd made several complaints about this in previous years.

Landmark has explained Mr and Mrs R's CMP increased following their annual review process. This took place on 30 November 2020 and included the CMP that was due to be paid by Mr and Mrs R that month.

Mr and Mrs R's CMPs are due at the end of each month. However, they receive their benefits shortly after this, meaning they make their payments a few days late – so their payments go through in the following month. As Mr and Mrs R hadn't made their November CMP by the time the annual review took place, their outstanding balance appeared to be higher than anticipated. Therefore, Landmark's system recalculated the CMP based on this higher outstanding balance.

I consider this explanation given by Landmark is reasonable. And having reviewed the payments made towards Mr and Mrs R's mortgage, I've not seen anything that persuades me the explanation given for the November 2020 recalculation of their CMP was unreasonable. I appreciate Mr and Mrs R always intended to make their November 2020 payment. However, the review calculated the correct CMP based on the transactions on the account at that time.

Mr R has said our Service previously told Landmark they had calculated their CMP incorrectly. And that appears to be part of the reason he feels so strongly about this matter.

Despite Mr and Mrs R wanting me to, I can't comment on the outcome of a previous complaint investigated by our Service. However, I am able to see what was said to get a better understanding of the circumstances I've been asked to investigate. Having done so, I've not seen evidence of a previous complaint in which our Service said Landmark had calculated Mr and Mrs R's CMP incorrectly. I've only seen a previous final decision from 2017 that explained Landmark's explanation for the recalculated CMP was reasonable.

It seems that in previous years Landmark has lowered the CMP as a gesture of goodwill, following a complaint from Mr and Mrs R.

Landmark didn't initially agree to lower the recalculated CMP as Mr and Mrs R's mortgage term was due to end in January 2022. That's because Landmark wanted to ensure there wouldn't be an outstanding balance by this date.

I would expect a mortgage provider, like Landmark, to take the necessary steps to avoid problems at the end of a mortgage term. So, I consider their initial decision to keep the £217.59 CMP in place, to have been reasonable at the time. However, I was pleased to see that they showed pragmatism in May 2021 when they agreed to recalculate the CMP when Mr and Mrs M's account was in advance.

There were occasions when Landmark made mistakes with calculations. This was disappointing to see given they had dealt with multiple complaints from Mr R about the mortgage balance and CMPs in the past. They were also aware that their relationship with Mr and Mrs R was already strained. So, any mistake would cast further doubt over Landmark's credibility.

The evidence from both parties showed that in March 2021, Landmark's final response incorrectly said Mr and Mrs R's account had arrears of just over £50. While this mistake was disappointing, Landmark wrote to Mr and Mrs R, two days later correcting their mistake. Landmark explained the account was in advance by just over £160 and offered Mr and Mrs R £50 as an apology for the confusion caused. Given this mistake was corrected quickly, I consider their £50 offer was fair in the circumstances.

While it was positive Landmark agreed to recalculate Mr and Mrs R's CMP in May 2021, they disappointingly made a mistake when doing so. However, they wrote to Mr and Mrs R around a week later with the correct CMP. The two letters understandably caused confusion, and this resulted in Mr R raising a complaint. I was glad to see Landmark acknowledged the impact of their mistake and offered Mr and Mrs R £50 in recognition of the impact this had on them.

In November 2021, the interest rate on Mr and Mrs R's mortgage was due to decrease. Landmark sent them a statement, however it contained mistakes. Mistakes were also in a redemption statement sent to Mr and Mrs R in early December 2021. So, Mr R flagged these with Landmark.

Landmark wrote to Mr and Mrs R a few days later and apologised for their mistakes. To put things right, Landmark said they would write off the remaining balance on the mortgage (of just over £200) and close the mortgage account.

Given the concerns Mr and Mrs R had raised over the years, I don't consider it was fair or reasonable for Landmark to make such errors – particularly so close to the end of the mortgage term. So, I can understand how these mistakes made it difficult for Mr and Mrs R to trust Landmark again. Having said that, the outstanding balance Landmark has written off is in the region of the compensation I would have awarded for the impact of the mistakes had on Mr and Mrs R. So, I don't consider Landmark needs to do anything further to put things right regarding these issues.

In light of the above, I consider Landmark's explanation for the recalculation of Mr and Mrs R's CMP in November 2020 was reasonable. I also don't consider they acted unreasonably by refusing to lower the CMP (at that time).

However, Landmark have made several mistakes with calculations of arrears, CMPs, and redemption figures. This further impacted the confidence Mr and Mrs R had in Landmark's ability to give them accurate information. However, I'm satisfied Landmark has taken sufficient steps to recognise how their mistakes affected Mr and Mrs R, so I won't be asking them to do anything further regarding this point.

I've noted Mr and Mrs R's concerns about Landmark potentially trying to pursue them for an outstanding balance in the future. And given the numerous mistakes Landmark made in communicating what was owed, I can understand why Mr and Mrs R feel that way. However, I can only make a finding on what has happened.

But to put their minds at ease, it's worthwhile explaining that once Mr and Mrs R's mortgage account is closed, it would be highly unusual for Landmark to say further monies are owed at some point in the future. And given that Landmark has offered to write-off any remaining balance, it would make the possibility of that happening even more unusual – and would only add to the frustrations Mr and Mrs R have already expressed. But if for some reason something like that happened in the future, that would be a new complaint.

#### Landmark's handling of Mr and Mrs R's subject access request

Mr and Mrs R complain Landmark failed to provide all relevant documents when they made a subject access request, and about the way the documents were sent to them.

Our Service doesn't have the power to decide whether Landmark has breached GDPR. However, we can comment on whether Mr and Mrs R were treated fairly when Landmark dealt with their subject access request.

Mr R made a subject access request in early July 2021, and Landmark completed this just over one month later. This means the documents were sent to Mr R a little later than he had anticipated. This caused him understandable frustration, but I've been glad to see Landmark acknowledged this in their 7 September 2021 final response.

Mr R has also complained that some documents were missing, there were blank pages, the documents weren't in chronological order, and that he was sent multiple copies of the same document.

I appreciate the format in which Mr R received the information may not have been ideal. But given the fact his mortgage has been in place since 2006, I don't consider it's unreasonable that Landmark no longer holds some of the information it may have held some time ago. I also think the volume of information Landmark holds means that it's not always possible to put all documents in chronological order or remove all blank pages. I say this after having reviewed the large volumes of information both parties have sent this Service for this complaint.

Landmark agreed to review Mr R's subject access request again to see if any additional documents could be located. They also said they would try their best to send the information in as close a chronological order as possible. I consider this demonstrated Landmark took Mr R's concerns seriously and wanted to ensure he had the information he'd requested.

Mr R had also complained that there were derogatory comments about him in some of the documents he received. I'm sorry to hear that Mr R was offended by the information he received. But having reviewed letters, contact notes, emails etc dating back to 2006, I can't say that I've seen any derogatory comments made about Mr or Mrs R.

Landmark ought to have completed the subject access request sooner. However, I am satisfied they took steps to ensure they handled it properly. I was also pleased to see their 7 September 2021 final response offered Mr R £100 for any trouble or upset they may have caused. Because of this, I don't consider Landmark needs to do anything further regarding this complaint point.

#### Customer service

Mr and Mrs R have complained about multiple instances of Landmark's customer service falling short. I won't be addressing every instance, because as I've mentioned above, it wouldn't be pragmatic to do so. But I want to assure both parties that I have reviewed and considered everything.

Having reviewed correspondence between Mr R and Landmark, and his testimony to our Service, it's clear the relationship between them has completely broken down. Mr R feels very strongly about the way Landmark has administered his mortgage account – in particular the way they calculated the CMPs.

While I appreciate Mr R's strength of feeling, I do consider the way he communicated his frustrations played a part in the level of customer service he received. The contact notes provided by him and Landmark show that he would make multiple calls and complaints about the same points despite having received a response on the matter. There was also a consistent theme in many of the call notes. And that was about Mr R's tone, language used, and him not allowing Landmark's advisers to speak. The call notes and various final response letters have explained Landmark doesn't condone customers using offensive language, or not allowing their advisers to speak. I don't consider that's unreasonable as they have a duty of care towards their staff. Given the above, I am persuaded Mr R's actions, and failure to allow Landmark the time and space to adequately investigate his concerns, played a role in the way Landmark were able to progress things for him and Mrs R.

While I am satisfied Landmark did try and answer Mr R's queries and provide clear explanations, I cannot say they are totally without blame.

Landmark have been aware (for some time now) about Mr R's feelings on the way CMPs are calculated. They were also fully aware that when Mr R is frustrated, he isn't always able to articulate his thoughts as he needs to. This makes it difficult for both parties to end conversations in a manner that means they're both clear on the next steps. It was for that very reason the ombudsman who investigated Mr and Mrs R's previous complaint, said Landmark should have a single point of contact for Mr R.

The evidence provided shows a point of contact was put in place in July 2017. However, the contact notes from 2020 onwards show that Mr R has spoken to various advisers each time he's contacted Landmark. So, it's been very disappointing to see more wasn't done to ensure Mr R only communicated with one person at Landmark, and in turn have a smoother customer journey.

I'm not wholly persuaded a single point of contact would have prevented this complaint from arising; as ultimately Mr R wanted Landmark to do something they weren't obligated to do. However, I do think a single point of contact may have avoided the instances of Mr and Mrs R being given conflicting and/or incorrect information (on multiple occasions) about receiving call backs, any arrears, their outstanding balances, and their recalculated CMP. And Landmark's failure to ensure a single point of contact remained in place is one of the reasons why Mr and Mrs R feel the level of customer service they've received hasn't improved – despite their previous complaints, and I don't consider those feelings to be wholly unreasonable in the circumstances.

Given Mr and Mrs R's relationship with Landmark has been strained for over five years, the mistakes detailed above only made them lose further trust. It's now got to a point where that trust cannot be restored. Because of this, it's important to draw a line under everything – particularly now the mortgage term has come to an end.

## **Putting things right**

Mr R has previously asked to be compensated £400 per call he's made to Landmark. However, I don't consider that would be fair or reasonable in the circumstances.

Raising a complaint comes with inevitable inconvenience, and that isn't something we make awards for. In addition to this, I don't consider the volume of calls Mr R made to Landmark (over the period this complaint covers) was reasonable, especially when Landmark had been consistent in explaining why the CMP had increased. This is in addition to the fact Mr R has raised similar complaints over the last five years or so, and both Landmark and our Service previously explained the reason for the recalculations were reasonable. We expect consumers to take steps to mitigate their losses, and I'm not persuaded Mr R took sufficient steps to do that when I've considered him complaining about the same point on multiple occasions.

Landmark's 7 September 2022 final response acknowledged Mr and Mrs R hadn't received the level of service they'd normally provide. To acknowledge their mistakes, Landmark offered them £350. Landmark also reiterated that they had written off the final £207.23 from the mortgage. This is in addition to awards offered in previous final responses from December 2020 onwards that totalled £200.

Taking everything into consideration, I'm satisfied Landmark's offers (that have a combined total of £757.23) is within the region of what I would have awarded had they not already acknowledged their mistakes. Because of this, I won't be asking Landmark to increase their offer.

For clarity, Landmark Mortgages Limited has already offered to:

- Write off the remaining balance of £207.23 on Mr and Mrs R's mortgage account.
- Close Mr and Mrs R's mortgage account.
- Pay Mr and Mrs R distress and inconvenience awards totalling £550.

I'm aware Mr and Mrs R feel Landmark only made these offers to rectify their mistakes. However, when a financial business makes a mistake, we would expect them to take steps to rectify them. So, I can't agree Landmark did the wrong thing by attempting to do so.

When putting things right, it isn't always appropriate for the financial business to do exactly what a customer has asked for. I should also add that our Service doesn't have the power to punish businesses. Given this, while I've taken on board how Mr and Mrs R feel, I still consider Landmark's offer to be fair in all the circumstances. So, this is what Landmark should do to put things right.

## **My final decision**

For the reasons above, I'm upholding Mr and Mrs R's complaint about Landmark Mortgages Limited.

To put things right, Landmark Mortgages Limited should do what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs R to accept or reject my decision before 13 January 2023.

Sarrah Turay  
**Ombudsman**

