

## **The complaint**

This complaint is about a mortgage account Ms D used to hold jointly with her former husband, Mr L. Ms D says:

- despite giving NRAM details of change of address, correspondence was sent to her former address, resulting in a breach of her personal data;
- it is unfair that NRAM has pursued her for repayment of the shortfall debt after the property was sold in possession, particularly as Mr L had agreed in the divorce proceedings to accept responsibility for his share of this;
- it is only fair for NRAM to refund any payment made by Ms D which exceeds her 50% share of the shortfall debt, and for NRAM to consider the debt to be settled.

## **What happened**

I will summarise the complaint in less detail than it's been presented. There are several reasons for this. First of all, the history of the matter is set out in detail in correspondence, so there is no need for me to repeat the details here. I will instead concentrate on giving the reasons for my decision. In addition, our decisions are published, so it's important I don't include any information that might lead to Ms D being identified. So for these reasons, I will keep my summary of what happened quite brief.

Ms D and Mr L had a property mortgaged to NRAM. In 2011 the property was sold, leaving a shortfall debt of just over £55,000. Ms D made a payment arrangement with NRAM and has been making payments towards the shortfall debt ever since.

In July 2019 Ms D updated her address with NRAM, but due to a system error, the address wasn't changed. Three letters were sent to the old address.

In November 2021 Ms D complained to NRAM about its failure to change her address on its system, and about what she saw as the unfairness of NRAM continuing to pursue her for the balance of the shortfall debt.

In its final response letter dated 18 January 2022 NRAM upheld the complaint about the change of address and offered compensation of £100 for this. NRAM explained that the letters sent to the old address weren't account-specific; two were about migration of the account to a new system, and one was about the change of ownership of NRAM.

However, NRAM didn't uphold the complaint Ms D had made about the unfairness of NRAM pursuing her for the shortfall debt. NRAM said that liability for the debt was joint and several and that if Ms D thought Mr L was in breach of any court order made between herself and Mr L, she'd need to take this up with him.

Unhappy with NRAM's response, Ms D brought her complaint to our service. Two investigators looked at the complaint but neither of them thought NRAM needed to do

anything more. They both thought the £100 offered for the data breach was fair and reasonable.

Ms D asked for an ombudsman to review the investigators' 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.

I note that in response to the second investigator Ms D has raised some new issues about not receiving statements and an allegation that NRAM has failed to comply with the provisions of the Consumer Credit Act 1974. As these are issues that weren't raised in the original complaint, I can't look at these as part of this complaint. Ms D will need to raise these matters first with NRAM and if she is unhappy with its response, Ms D can bring a fresh complaint to us about those issues. But I won't be looking at them as part of this complaint.

**Data breach:** Because NRAM has accepted that it made an error when it didn't update Ms D's address, the only issue I need to decide in relation to this issue is what NRAM should do to put this right. I've looked at the three letters sent to the incorrect address and I'm satisfied that there is no account-specific information contained in them. They are system-generated letters about account migration and a change of ownership.

In the circumstances, whilst I acknowledge this was a breach of the General Data Protection Regulation, I'm satisfied that the £100 compensation offered by NRAM for the distress caused by its mistake is fair and reasonable. I am therefore not ordering NRAM to do anything more about this.

**Shortfall debt:** Liability for the mortgage debt is joint and several. What this means is that NRAM can pursue either or both debtors for payment of the entire shortfall; liability is not split 50/50 between the parties. Given this, NRAM has done nothing wrong in accepting payment from Ms D towards reducing the shortfall debt, even if she has paid more than 50% of the amount owed.

I don't have Mr L's consent to access his personal data in relation to this complaint, so I am unable to consider any information about the steps NRAM has taken to contact him. Ms D says that, at the time of their divorce, Mr L agreed to be responsible for half the shortfall debt. If he hasn't kept to this agreement, this is something Ms D will need to address directly with Mr L. NRAM wasn't a party to any agreement, and so the joint and several responsibility for the outstanding debt isn't affected by it.

**Conclusion:** I'm satisfied that the £100 offered by NRAM is fair and reasonable in all the circumstances. I simply leave it to Ms D to decide if she wants to accept it in full and final settlement of this complaint. Whilst I acknowledge that Ms D considers it to be unfair that NRAM is still pursuing her for this debt, I am unable to find that NRAM has done anything wrong here.

### **My final decision**

My final decision is that I don't uphold this 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 D to accept or reject my decision before 13 April 2023.

Jan O'Leary  
**Ombudsman**