

## **The complaint**

Mrs T complains that Ls Claims Ltd trading as Ingram Toft (Ingram Toft) failed to pursue an unaffordable/irresponsible lending claim on her behalf after it was rejected by her lender.

## **What happened**

In May 2021 Mrs T said she instructed Ingram Toft to act on her behalf in making unaffordable/irresponsible lending claims with several of her lenders. Mrs T said after one of her lenders I'll call "B" rejected her claim Ingram Toft failed to send her complaint to the Financial Ombudsman Service for them to consider the merits of her complaint. Mrs T said she didn't find out about the rejection until over six months later which meant she was too late to be able to refer her complaint to the Financial Ombudsman Service. She complained to Ingram Toft.

Ingram Toft said they didn't receive the final response letter from "B" they said if they had they would have referred Mrs T's complaint to the Financial Ombudsman Service as they've shown they'd done for other rejected claims that she'd with them. Mrs T referred her complaint to us.

Our investigator said by failing to refer Mrs T's complaint to the Financial Ombudsman Service within the time allowed, Mrs T had lost the opportunity for the service to consider the merits of her complaint against "B". For this she said Ingram Toft should pay Mrs T £250 for loss of opportunity.

Ingram Toft acknowledged our investigators outcome but didn't say whether they accepted it or wanted any further representations considered. Mrs T's complaint has been referred to an ombudsman to decide.

## **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 outcome as our investigator for broadly the same reasons. I'll explain why.

In May 2021 I can see Mrs T signed a letter of authority (LoA) instructing Ingram Toft to act on her behalf in making unaffordable/irresponsible lending claims with her lenders, including "B". From Ingram Toft's records I can see that upon receipt of a rejection of a claim from the lender they would usually look to escalate the complaint about the lending agreement to the Financial Ombudsman Service. They'd do this by seeking further authority from Mrs T for them to pursue her complaint about the rejection with the service.

I can see that this happened with a couple of Mrs T's lenders, after her claim was rejected by them. But Ingram Toft didn't escalate "B's" rejection to the Financial Ombudsman Service. Ingram Toft said this was because they didn't receive a final response letter from "B". Ingram

Toft said they only found out about the rejection when they actively pursued Mrs T's claim with "B" in May 2022. They'd asked Mrs T to sign another LoA in May 2022 and sent this along with a complaint to "B" about the loan accounts Mrs T had with them.

In response "B" told Ingram Toft the matter had already been resolved and included a copy of the final response letter they said they'd sent to Ingram Toft in July 2021. I can see from Ingram Toft's records that in September 2021 they told Mrs T they were still waiting for a response from "B". It wasn't until October 2022 Ingram Toft told Mrs T about "B's" rejection. I can't see that they explained to Mrs T what this meant for her complaint.

The Financial Ombudsman Service operates according to a set of rules made by the Financial Conduct Authority (FCA). These rules are set out in a section of the FCA's Handbook called Dispute Resolution: Complaints ("DISP"). The DISP rules include certain time limits. DISP 2.8.2 says that a complaint must be referred to the service within six months of the date of the business's final response. "B's" final response letter was dated 05 July 2021 so Mrs T would have had up to 05 January 2022 for Ingram Toft to have referred her complaint to the Financial Ombudsman Service on her behalf. I can't see that Ingram Toft asked "B" about the status of her claim until May 2022, and said they didn't know about the rejection of her claim until June 2022. So, Mrs T's complaint about "B's" rejection couldn't be referred to the Financial Ombudsman Service for them to consider whether this was fair or reasonable within the time allowed.

While I accept Ingram Toft's comments, I can see the final response letter from "B" dated July 2021, is addressed to Ingram Toft's registered offices. The same address I can see on emails they've sent to Mrs T and to "B". So, I've no reason to doubt the final response letter was sent. And I don't think it's fair that Mrs T should lose out for administrative issues. The Claims Management Code of Business (CMCOB) is the relevant guidance. CMCOB 6.1.5R says:

*"A firm must notify the customer of: (b) any material development in the progress of the customer's claim; "*

CMCOB 6.1.9 (1) says:

*"A firm must provide each customer with an update on the progress of the claim at least once every six months, in a durable medium."*

And CMCOB 6.1.10 (2)

*"The firm should give updates under CMCOB 6.1.9R until such time as the claim is finally determined or settled, or is withdrawn or discontinued."*

It's clear from Ingram Toft's records that they didn't fully comply with the guidance as there is a period of over 12 months from September 2021 when they didn't update Mrs T about her claim. And they haven't provided any evidence that they asked "B" for any meaningful update about the status of her claim between May 2021 and May 2022. If they had they would have been made aware of the final response letter being sent to them, probably in time for Mrs T's complaint to be referred to the Financial Ombudsman Service.

## **Putting things right**

I can't know whether Mrs T's unaffordable/irresponsible lending complaint would have been upheld by the Financial Ombudsman Service. But I do think she's lost the opportunity for the

merits of her complaint to be considered. For the distress and inconvenience this has caused Ingram Toft should pay Mrs T £250.

### **My final decision**

I uphold this complaint and ask Ls Claims Ltd trading as Ingram Toft to pay Mrs T £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 16 August 2023.

Anne Scarr  
**Ombudsman**