

## **The complaint**

This complaint's about a mortgage Mrs L holds with Paratus AMC Limited trading as Foundation Home Loans. There are two elements to Mrs L's complaint – I'll detail them below – which relate primarily to how Paratus has treated her requests for the mortgage term to be extended.

## **What happened**

The two components to Mrs L's complaint are, in summary:

- Paratus only being prepared to extend the mortgage term by six months, instead of three years; and
- mistakenly writing to Mrs L on 27 September 2022 telling her a field agent would visit the mortgaged property.

Paratus addressed the above points in final responses dated 7 September 2022 and 4 November 2022 respectively.

When the case came to us, Paratus objected to us considering the point about the term extension because Mrs L had referred it to us outside the six-month time limit. Our investigator agreed, and issued a view explaining why she thought the point about the term extension was time-barred. In a separate view on the point about the field visit letter, the investigator recommended Paratus pay Mrs L £100 compensation for the distress it caused her.

Mrs L asked for the case to be reviewed by an ombudsman. In a decision dated 24 October 2023, I determined that our jurisdiction to consider this complaint was confined to the second listed point above; i.e. Paratus mistakenly writing to Mrs L on 27 September 2022 telling her a field agent would visit the mortgaged property.

## **What I've decided – and why**

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers. In doing that, we don't replicate the work of the courts.

We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service, and the remit those rules give us.

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 set out my conclusions and the reasons for them below.

This isn't a complaint where I have to decide fault. Paratus has accepted it should not have sent the letter, and has apologised for having done so. What that leaves for me to decide is whether there are further steps Paratus should take to put things right, and if so, what those steps should be.

The letter was sent because the mortgage term had ended, and the writer of the letter was seeking to find out what Mrs L's plans were for repaying the outstanding balance, apparently unaware that another department had granted her a six-month grace period. This was an example of the left hand not knowing what the right hand was doing, and clearly shouldn't have happened.

Nonetheless, I've no doubt it came as a considerable annoyance to Mrs L, for which it's appropriate that she should receive suitable recompense. Mrs L clearly has wider reasons to be very upset by what is happening now that her mortgage term has ended, but I can't take those into account here. I can only consider the impact of the 27 September 2022 letter in isolation. The mistake was soon put right and the available evidence doesn't suggest anything materially harmful came from it. Our investigator recommended £100, and in all the circumstances that I'm able to take into account here, I think that's fair.

### **My final decision**

My final decision is that Paratus AMC Limited trading as Foundation Home Loans must pay Mrs L £100. I make no other order or award.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 27 November 2023.

Jeff Parrington

**Ombudsman**