

The complaint

Mr and Mrs R complain that NRAM Bank UK PLC recorded some of Mr R's details wrongly during their 2007 mortgage application. They said this mistake delayed their more recent mortgage redemption, so they wanted NRAM to refund interest it charged during the delay.

What happened

This decision only deals with the events of 2022 and 2023, when Mr and Mrs R sought to redeem their mortgage. Our service has already written to Mr and Mrs R, to explain why we cannot consider the first part of their complaint, about the mistake made in 2007. So I won't discuss that further here.

Mr and Mrs R said when they took out a mortgage with NRAM in 2007, NRAM recorded some of Mr R's details incorrectly. It got his middle name wrong. And it also wrongly recorded his date of birth. Mr and Mrs R said this then meant NRAM wouldn't communicate with Mr R in October 2022, when he wanted to redeem the mortgage. They said this took three months to correct, and Mr R wanted NRAM to reimburse the extra interest they had been charged during this time.

NRAM said Mr and Mrs R had first told it about the mistake in Mr R's name on 31 October. It had written to them on 1 November asking for documentation so it could update the details it held for him, but NRAM said it didn't receive these until 1 December 2022.

NRAM said Mr R could have redeemed this mortgage any time after 1 December 2022. And it said the mistake in Mr R's details would not have prevented Mrs R from redeeming the mortgage at any point. NRAM said it received funds to redeem the mortgage on 24 January 2023.

Our investigator didn't think Mr and Mrs R's complaint about delays in their redemption should be upheld. He thought it was reasonable for NRAM to resolve the issues around Mr R's details before it would provide him with information. He also said that the mortgage balance wasn't repaid until late January, so it was reasonable for NRAM to charge interest until then. And he said this was a joint account. He hadn't seen anything to suggest Mrs R couldn't have requested all the information needed for redemption, and then redeemed the mortgage, at any time. So he didn't think any delays in redemption were NRAM's fault.

Mr R replied to say that he wanted this complaint to be considered by an ombudsman, so Mr and Mrs R's complaint was passed to me for a final decision.

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've reached the same overall conclusion on this complaint as our investigator.

Mr and Mrs R's complaint covers two points – they complain about how a mistake was made in 2007, and they complain about the impact this mistake had in 2022 and 2023, when they wanted to redeem their mortgage. I've explained above why I'm not looking at the first of those issues here.

Mr and Mrs R noticed this error in Mr R's details in October 2022, when I understand this caused him difficulty in clearing security with NRAM. Mr R said he had the money to redeem the mortgage in October, but he said that delays caused by the need to correct this mistake meant he was paying off his mortgage over three months later than he'd wanted to. And in the meantime, the money was in his current account, earning nothing.

I think NRAM acted promptly when it realised there was a problem with Mr R's details. It was alerted to the issue on 31 October, and wrote to Mr R requesting documentation to allow it to make the changes he wanted on 1 November. NRAM didn't receive this documentation until 1 December. It said that at any time after this, Mr R could have redeemed the mortgage from an account in his name, and it had issued a redemption statement in late November. But it said that Mr R didn't redeem the mortgage until late January. I don't think that NRAM would be responsible for three months of delay here.

But even if NRAM had been responsible for a delay in correcting Mr R's details, which I don't think it was, I would still not have upheld this complaint. That's because this is a joint mortgage, and Mrs R's details were not, as far as I'm aware, incorrect. So Mrs R could have discussed the mortgage, or indeed redeemed this mortgage from an account in her name (or jointly, in her name and someone else's) at any point. So I don't think NRAM is responsible for the delay in Mr and Mrs R redeeming their mortgage.

I know that Mr and Mrs R will be disappointed, but I don't think this complaint should be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 27 February 2024.

Esther Absalom-Gough
Ombudsman