

## **The complaint**

Mr L complains that Bluestone Mortgages Limited handled his request for forbearance on his mortgage poorly, specifically by refusing to allow a payment break for the month of August 2023.

## **What happened**

Mr L has a residential mortgage with Bluestone.

Mr L says in May 2023 his partner suffered a life-threatening health event resulting in a substantial drop in household income for several months. Mr L had to take time away from his recently established self-employment which was also a factor in the drop in household income. Mr L started to experience financial difficulty.

On 30 August 2023 Mr L called Bluestone and discussed the possibility of arranging a payment holiday for two months. Bluestone said it didn't offer payment holidays but would consider Mr L's request, following an income and expenditure assessment. It said Mr L could do that over the phone or allow the concession to begin in September if he wanted to complete and return a form. Mr L said he'd call back with details for the assessment. Mr L returned a completed income and expenditure form to Bluestone on 7 September 2023.

Mr L says Bluestone should backdate a concession to August 2023. He complained to Bluestone. In its final response letter dated 8 November 2023, Bluestone said it doesn't offer payment holidays and it told Mr L that during the telephone call of 30 August 2023. Instead, it seeks to understand a borrower's financial circumstances via the completion of an income and expenditure form. And Bluestone said the fact that there was no arrangement in place for Mr L not to pay August's payment didn't result in an arrears marker on his credit file. That didn't happen until September when Mr L missed another payment.

Dissatisfied with Bluestone's response, Mr L asked us to consider his complaint. Our investigator didn't think Bluestone did anything wrong because it didn't receive income and expenditure information until September 2023. So, he didn't think Bluestone needed to do anything to resolve Mr L's complaint.

Mr L didn't agree. He said Bluestone failed to treat him as a vulnerable customer and it should have done so, given his circumstances.

As Mr L didn't agree with our investigator, his complaint has been 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.

To decide Mr L's complaint, I've thought about whether Bluestone should have agreed to an arrangement for Mr L not to make payment to his mortgage in August 2023. I've also thought

about the extent to which it ought to have treated him as a vulnerable consumer and whether that has any impact on what it should have done regarding August's payment.

From what Mr L has told us about events leading up to his request to Bluestone at the end of August 2023, I can see he – and his partner – have been through a very challenging time. I understand that the responsibility lay with him to support his partner through that time and that had an impact on his ability to work and to earn money to pay expenses like his mortgage.

I'm also mindful that Mr L's partner was not a customer of Bluestone, not a party to the mortgage and so not likely to have been a factor when Bluestone considered the affordability of the mortgage before agreeing to it. That said, I agree that Mr L's sudden drop in income and his unexpected caring responsibilities meant that Bluestone ought to have considered vulnerability when assessing his request in August 2023. Bluestone acknowledged Mr L's vulnerability with regard to the impact of those factors in its final response letter dated 8 November 2023.

Bluestone has provided us with a recording of Mr L's telephone discussion on 30 August 2023 and I've listened to that. I think Bluestone confirmed that it didn't offer payment holidays but would consider forbearance on receipt of his income and expenditure information. And I think Bluestone was clear to Mr L that he'd need to call back with his income and expenditure information that day for anything to be considered in respect of August's payment, bearing in mind there was only one day left in the month. Bluestone told Mr L the alternative was to allow any concession to begin next month. Mr L said he'd call back and I think Bluestone would have been left with the impression he would do so that day.

Mr L didn't provide Bluestone with income and expenditure information until 7 September 2023. Bluestone said that lacked the detail it required to make an assessment and so the matter was delayed further. In any event, the information Mr L provided wasn't within the time Bluestone advised him it required it to consider a concession for August 2023. So, I don't think Bluestone misled him about what it would do or treated him unfairly by not doing so when Mr L didn't provide the information it asked for before the end of August.

I haven't seen that Bluestone didn't consider Mr L's request reasonably, including taking into account his vulnerability. I think an assessment of Mr L's income and expenditure would have given Bluestone a clearer picture about the extent of Mr L's vulnerability. I also think Mr L had a responsibility to provide that information to Bluestone for it to make that assessment. And I haven't seen that his vulnerability or other circumstances prevented him from calling Bluestone with his income and expenditure information before the end of August 2023 – he hasn't said it was because of his vulnerability that he couldn't do that. So, I haven't seen that Bluestone ought to have made any additional concession, with vulnerability in mind, when Mr L failed to respond in time.

Overall, I haven't seen that Bluestone handled Mr L's request to miss August 2023's payment unfairly or unreasonably. So, I don't require it to apply forbearance to that payment retrospectively. I also don't think Bluestone was the cause of any distress or inconvenience suffered by Mr L at that time so do not require it to compensate him for that.

### **My final decision**

My final decision is I don't uphold Mr L's complaint about Bluestone Mortgages Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 12 April 2024.

Gavin Cook  
**Ombudsman**