

The complaint

Mr H and Mrs H complain that Topaz Finance Limited, trading as Heliodor Mortgages (Heliodor) sent personal information relating to their mortgage to an unconnected third party.

To compensate them for the worry and upset this matter has caused Mr H and Mrs H want Heliodor to pay them a total of £6,000 and fund a three year subscription to an early warning fraud alert service with a credit reference agency. They also want Heliodor to refund the cost of a site visit it instructed.

What happened

Mr H and Mrs H hold a mortgage with Heliodor. It appears that in early 2023, an unconnected third party made a Data Subject Access Request (DSAR) to Heliodor. Due to failings on Heliodor's part, information relating to Mr H and Mrs H's mortgage was sent to this third party.

I understand that the third party contacted Mr H and Mrs H to tell them that information relating to their mortgage had incorrectly been provided to it.

Mr H and Mrs H contacted Heliodor to complain. They said they wanted Heliodor to investigate how the breach had happened, confirm whether the breach was a one off and to tell them whether the breach was likely to affect their future financial situation.

Heliodor investigated the complaint and said it could not find any evidence of a data breach.

Mr H and Mrs H were not satisfied with Heliodor's response and referred their complaint to this service.

Having looked into this matter, our investigator said it appeared that a data breach had occurred and historic information relating to Mr H and Mrs H's mortgage had been sent to an unconnected third party. She asked Heliodor if it was willing to compensate Mr H and Mrs H for this breach on its part. Heliodor offered to pay Mr H and Mrs H £500 for the trouble and upset this matter had caused. Mr H and Mrs H did not accept the offer.

Our investigator considered the circumstances of the complaint and said she felt that the offer Heliodor had made was too low. She said she could appreciate why, having been contacted by an unconnected third party, Mr H and Mrs H were concerned about the potential impact of the data breach.

She said she felt Heliodor needed to do more to give Mr H and Mrs H some peace of mind that their information had not been used by fraudsters. She noted that they had confirmed no unusual activity had been identified to date. She said that although this was reassuring, it did not guarantee that they would not experience a problem in the future.

To help provide Mr H and Mrs H with some peace of mind, she said Heliodor should fund the cost of a twelve-month subscription to an early warning fraud alert service offered by a credit reference agency. She noted one provider offered this service for £10.99 per month, per

person. She said she thought Heliodor should pay Mr H and Mrs H a total of £264 to meet the cost of a twelve-month subscription for them both. In addition, she said she thought Heliodor should pay Mr H and Mrs H £800 to compensate them for the worry and upset this matter had caused.

Heliodor accepted our investigator's view. Mr H and Mrs H did not accept it. Mr H said he felt Heliodor should pay a total of £6,000 for the worry and upset this matter had caused and it should also pay for a three-year subscription to an early warning fraud alert service.

Mr H also referred to a site visit that Heliodor had instructed. He said the visit happened on the same day that they had been contacted by the unconnected third party about the data breach. Mr H said the site visit had caused them considerable anxiety. He said the data breach - and Heliodor's claim that there hadn't been a breach had added to their distress. In view of this Mr H said he felt Heliodor should also refund the cost of the site visit.

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.

It is not in dispute that Heliodor incorrectly sent information about Mr H and Mrs H's mortgage to an unconnected third party. What is in dispute is whether the redress our investigator has recommended is sufficient to compensate Mr H and Mrs H for the worry and upset this data breach has caused them. I think the redress our investigator recommended is fair and I don't think Heliodor needs to pay more. I'll explain why.

I have carefully considered the points Mr H has made. Mr. H says he feels Heliodor should pay he and Mrs H £3,000 each for the worry and stress Heliodor has caused them. I appreciate why Mr H feels Heliodor should pay more to compensate them for the significant stress they have experienced in connection with their mortgage. But I cannot award compensation for the worry and distress the site visit caused them, in connection with this complaint.

It is very unfortunate that Mr H and Mrs H were made aware that historic information about their mortgage had been sent to an unconnected third party on the same day that they received a site visit instructed by Heliodor. But the site visit is a separate issue and is not connected to their complaint about the data breach.

I think the £800 our investigator recommended is fair in the circumstances of this complaint about the impact the data breach has had on Mr H and Mrs H. This service does not have the power to fine or take disciplinary action against a business, that is the role of the industry regulator, the Financial Conduct Authority (FCA). This award is therefore not intended to fine or punish Heliodor.

The amount reflects that Heliodor did not identify that it had incorrectly sent historic information about Mr H and Mrs H's mortgage to an unconnected third party when they raised their concerns with it. It also reflects the worry this data breach has caused Mr H and Mrs H.

Mr H has said he thinks Heliodor should pay for a three-year subscription to an early warning notification service with a credit reference agency. I have carefully considered this point. Having done so, I don't think it would be reasonable to require Heliodor to pay for a three-year subscription. In reaching this view I have taken into account that, to date, Mr H and Mrs H have not made this service aware that the data breach has led to any fraudulent activity.

I'm also mindful that it appears the personal information was historic information about their mortgage, and would be of limited use to a fraudster.

I do understand that the site visit caused Mr H and Mrs H worry and distress. If they wish to raise concerns about the site visit, or any related issues they should raise their concerns with Heliodor in the first instance. If they are unhappy with Heliodor's response they are, of course, free to refer the matter to this service.

Putting things right

Heliodor should pay Mr H and Mrs H:

- £800 for the worry and upset they have experienced as a result of this data breach, and
- £264 to meet the cost of a twelve-month subscription to an early warning notification service with a credit reference agency.

My final decision

My decision is that, for the reasons I have set out above, I uphold this complaint. In order to put matters right Topaz Finance Limited trading as Heliodor Mortgages, should pay Mr H and Mrs H a total of £1,064.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 30 May 2024.

Suzannah Stuart
Ombudsman