

The complaint

Mr F's complaint arises out of his buy-to-let (BTL) mortgage held with Mortgages plc.

Mr F is unhappy that, when he tried to call Mortgages plc to make a payment on the late afternoon of 30 December 2023, he was unable to get through. As a result, he wasn't able to make the payment in time for December 2023, and an adverse entry was recorded on his credit file.

Although Mortgages plc later agreed to remove the entry as a gesture of goodwill, Mr F remained dissatisfied. Mr F believes there were issues with Mortgages plc's telephone lines, and also says that he got a text saying customers were being given extensions of time to make their monthly repayments due to the holiday season.

What happened

Mr F has a BTL mortgage taken out with Mortgages plc in 2006. The monthly mortgage payment has to be made by close of business on the last working day of the month in order that it is considered to have been made in the month in which it falls due.

On 19 December 2023 Mr F called Mortgages plc and a payment arrangement was agreed for him to pay £1,368 each month from December 2023 to February 2024 inclusive, in order to clear arrears that had accrued. Mr F told Mortgages plc that he would make the first payment on the last working day of December 2023 by debit card.

On 30 December 2023 Mr F telephoned Mortgages plc at 17:40 to make his payment for the month of December. This was a Saturday, and Mortgages plc's offices closed at 13:00 on Saturdays. Mr F received an automated message saying the office was closed and that he would need to call again during working hours. The office was closed on 31 December 2023, as this was a Sunday. It was also closed on Monday 1 January 2024, as this was a Bank Holiday. Mr F therefore wasn't able to make his payment for December 2023 during the month, and a late payment marker was added to his credit file by Mortgages plc.

Mr F complained. He said there were issues with Mortgages plc's phone lines which had prevented him from making the payment. Mortgages plc didn't uphold the complaint, but later agreed to remove the marker as a gesture of goodwill.

Mortgages plc explained there was no issue with its phone lines. Mortgages plc said the call Mr F had provided evidence of lasted 12 seconds, but where customers are calling to make payments, the automated and regulatory messages it has to provide to customers take about 26 seconds before the prompts begin to enable customers to make payments. Mortgages plc also noted that Mr F had made an underpayment for April 2024, and that this would not be removed from his credit file.

Mr F was still dissatisfied and raised his complaint with the Financial Ombudsman Service. An Investigator looked at what had happened. He tried the number Mr F had provided and noted that the "out of hours" message lasted for 12 seconds, the same length of time as the call Mr F had evidenced he'd made at 17:40 on 30 December 2023.

The Investigator was also satisfied that Mr F had been made aware by text that closing time on Saturdays at Mortgages plc was 13:00. Given this, the Investigator was satisfied there had been no systems errors on 30 December 2023 that had prevented Mr F from paying his mortgage that day; rather, the issue was that he'd called outside working hours, and it was this that meant he couldn't make his payment that day.

The Investigator thought that Mortgages plc's gesture of goodwill to remove the marker for December 2023 was fair, particularly as it had done nothing wrong.

Mr F disagreed and asked for an Ombudsman to consider the complaint. Mr F said that he'd tried to call to make his payment before the holiday period began, but couldn't get through. Mr F also said that he thought he'd got a text saying that customers could have extensions for payments due to the holiday period.

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 confirm I've reviewed both Mr F's and Mortgages plc's phone records for the relevant period. I note that in his correspondence with Mortgages plc Mr F made no reference to trying to call prior to the holiday period to make his payment. In fact, Mr F had already told Mortgages plc that he'd make his payment on the last working day of the month for December 2023.

Unfortunately, Mr F left it too late, because by the time he called during the late afternoon of Saturday, 30 December 2023, Mortgages plc's offices were already closed. I note Mr F had been made aware of the office opening hours, so I can't hold Mortgages plc responsible for the fact that Mr F called at a time when he knew – or ought to have known – that the office was closed.

Mr F said he thought he'd received a text from Mortgages plc giving him extra time to make his payment over the holiday period. However, there is no evidence of any such text message in Mortgages plc's records, and neither has Mr F provided any evidence of this.

When the offices are open and a customer calls, the recorded introduction is detailed and takes about half a minute to play, and is followed by a menu for the customer to select the option they want. Mr F's phone records show that the call he made on 30 December 2023 lasted 12 seconds – which is the exact amount of time the 'out of hours' call recording takes to play before the call cuts off. Therefore, although Mr F claims there were issues with Mortgages plc's phones on 30 December 2023 that prevented him from making his payment, I'm not persuaded this is the case, as it is not borne out by the evidence.

It was Mr F's responsibility to ensure he made his payment for December 2023 in the month it fell due. A BTL mortgage is a commercial loan, and so it's up to Mr F to manage his investment to ensure that he doesn't miss payments. I can't hold Mortgages plc at fault if Mr F left it too late to make the payment in December 2023.

Given this, Mortgages plc was entitled to register a late payment marker against Mr F's name. I can see that this has now been removed as a gesture of goodwill. Because Mortgages plc did nothing wrong, I'm satisfied it didn't need to remove the marker and is certainly not required to do anything more.

My final decision

My final decision is that I don't uphold this complaint.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any discussion about it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 23 December 2024.

Jan O'Leary
Ombudsman