

## The complaint

Miss A's complaint relates to a second charge mortgage with Tandem Home Loans Ltd. She is unhappy with the amount of time Tandem took to register its charge against the property title with the Land Registry and she believes that when it was, it was not done properly. Miss A has told us this made it impossible for her to acquire business financing and will make it difficult for her to sell her home.

## What happened

Miss A's second charge mortgage was advanced to her in December 2022. The borrowing was largely to be used to consolidate unsecured debts. Tandem's solicitors completed the form to have the charge added to the property title at the Land Registry on 16 December 2022, but it was not sent to the Land Registry until 3 January 2023.

The charge attached to the title was a unilateral notice. Tandem has explained that it used this type of charge because it meant it did not have to ask Miss A's first charge lender for permission.

On 10 Oct 2023 Miss A contacted Tandem to tell it that she was trying to get a business loan. She explained that the lender she was speaking to had told her that her loan could not proceed as Tandem's application to register its charge was still pending. Tandem contacted the Land Registry about the charge application and received a response confirming that the application would be processed as a priority. Tandem confirmed to Miss A by email on 6 December 2023 that it had received confirmation its charge had been attached to Miss A's property title.

In May 2024 Miss A contacted Tandem and explained that she was exploring the option of a business loan secured against her property as a third charge. She asked Tandem if it would agree to her securing further borrowing on her home, and if so, if it would agree to cap the amount it could claim under its own charge if a third charge was added, as the potential third charge lender wanted. Tandem decided not to agree to the request as there was a significant amount of arrears on the account with it, as she had not made payments since January 2024. It did, however, tell Miss A that if she cleared the arrears, it would reconsider its decision.

Subsequently Ms A questioned the type of charge Tandem had used. It explained the type of charge and how it could show up on the title deeds. Ms A raised a complaint, which Tandem responded to in an email of 19 July 2024. It said that it had put its charge through to the Land Registry in a timely manner. It also explained that a Unilateral Notice was a form of legal charge, and Miss A had signed the legal charge document allowing Tandem to attach its charge. Furthermore, Miss A's first charge mortgage lender had been made aware of the charge being attached and had acknowledged it happening. The complaint was rejected. In relation to the request Miss A made in May 2024 to have a third charge attached to the property title, Tandem simply confirmed that it had been unable to approve the request given the mortgage was in arrears.

Miss A was not satisfied with Tandem's response and asked us to review her complaint. One of our Investigators did so, but he didn't recommend that it be upheld.

Miss A asked that the complaint be referred to an Ombudsman for review. She said that the Investigator had missed the point of what was done to her – that Tandem was exercising excessive control of her finances, stopping her moving forward and working, which equated to financial and emotional abuse.

### **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 will firstly address the issue of the time that it took for Tandem's charge to be attached to Miss A's property title. I am satisfied that Tandem started that process in a timely manner. However, there were significant backlogs at the Land Registry at the time Tandem's application was made. When Tandem was made aware that the delay in the charge being registered was causing Miss A problems, it contacted the Land Registry and asked for its application to be expedited.

I can't hold Tandem responsible for any delays that occurred at the Land Registry, as it had no control over the processing of its application once it was sent. In addition, Tandem did what I would have expected it to do when it was told the delay was causing a problem, so I can't find fault with it at that point either.

When Miss A accepted the mortgage offer Tandem had made, she agreed to it securing the lending by charge on her property. That is what Tandem did. While it used a different form of charge than many lenders do, I have seen no supporting evidence that suggests the type of charge has caused Miss A any problems than any other type of charge would not have. Rather the problems that Miss A has experienced appear to be simply because Tandem would not agree to a third charge being placed on the property title for further borrowing.

When a consumer asks for something, a lender is obliged to consider what is in its customer's best interests, but it is also allowed to consider whether it is a risk it is willing to take. At the time Miss A asked Tandem to agree to allow her to borrow more money against her property, she was in financial difficulties and had not paid her mortgage with it for some months. In such circumstances, it would generally be considered that the borrowing Miss A already had was not affordable for her at the time. As such, it would always be questionable whether Miss A borrowing more money, with payments that she would equally be unable to evidence she could afford, was a good idea or in her best interests. Furthermore, the third charge lender wanted Tandem to cap the amount it would ask for if the property was sold in the future. That is not something a lender will generally do and, given that Miss A's debt to Tandem was increasing on a monthly basis at that time, I don't think it was unreasonable for Tandem not to agree to do so.

In summary, I am not persuaded that Tandem caused delays in the charge on Miss A's property being recorded by the Land Registry. Nor do I consider that it acted inappropriately in relation to the type of charge it used or in refusing permission for additional borrowing to be secured against the property, given the circumstances.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss A to accept

or reject my decision before 8 April 2025.

Derry Baxter  
**Ombudsman**