

The complaint

Mrs G complains about how Co-operative Bank Plc (Co-op) stored the title deeds to her home.

What happened

In 1986, Mrs G took out a joint mortgage with her now ex-husband. The mortgage was with Britannia Building Society, which is now part of Co-op. I'll refer to Co-op throughout for ease and as it has accepted responsibility for this complaint.

In 1997, Mrs G and her ex-husband separated. She bought her ex-husband's share of the property and the title was transferred into her sole name. The title deeds were sent to Co-op for safe keeping. The mortgage was later repaid, but Co-op kept the deeds in its deed retention service.

In 2005, Mrs G's solicitors received a copy of the deeds from Co-op. They returned the deeds and asked that Co-op update its records to show the mortgage was in Mrs G's sole name.

In 2023, Co-op told Mrs G that its deeds retention service would be closing in 2024 and it would return the title deeds to her.

When Co-op sent the deeds it incorrectly sent them to Mrs G's ex-husband. He forwarded them to Mrs G but there were important documents missing relating to the original purchase, the mortgage and the transfer to her sole name and Co-op's agreement to that. She said the property is not registered with the Land Registry and she needs those documents to register it.

The investigator thought the complaint should be upheld in part. He said the evidence we had supported that Co-op had lost some of the documents in the deed pack and that would make it more difficult for Mrs G to register the title with the Land Registry. But he thought that, if Co-op could not locate and return all of the missing documents, it should meet half of legal costs that Mrs G will incur to register the title, providing she does so within six months of accepting our decision. That was because Mrs G made the decision not to register the title in 2005.

On review, the investigator recommended that Co-op should also pay Mrs G £600 for any distress and inconvenience caused to her by this matter and refund the subscription fees she paid for the deeds retention service.

Co-op accepted what the investigator said. Mrs G did not. She said she needed more time to speak to a solicitor. And then when she had done so said that her solicitor had found that important documents were missing that had been sent to Co-op.

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.

We're an informal dispute resolution service. The investigator issued his second view in October 2024. I am satisfied that Mrs G has been given a fair opportunity to respond and provide further evidence if she wished. Under our rules, I can make a decision based on the evidence we do have.

I consider the redress proposed by the investigator is a fair and reasonable way to put things right. The evidence we have supports that Co-op lost some of the documents contained within the deed pack. Mrs G would need those documents to register the property with the Land Registry. So I am satisfied that its error has caused her a loss – there will be additional costs in registering the property because those documents are missing.

I would note that there would always have been some cost to Mrs G in registering the property with the Land Registry – my award is not intended to direct Co-op to pay any fees that she would always have had to pay directly to the Land Registry for doing that.

Part of the reason the property was not registered was due to the decision taken by Mrs G not to register the property in 2005 when she had the opportunity to do so. In view of that, the investigator said that Co-op should only meet half of the legal costs. I think that is fair and reflects that there would always have been some legal costs to Mrs G in registering the property and as the property was not registered because of past decisions taken by Mrs G. I also consider it is reasonable that Mrs G would need to start that process within six months of accepting this decision, if she chooses to do so.

Co-op has agreed to refund the subscription fees Mrs G paid for the deed retention service. That is because Mrs G has not had the benefit of the service she paid for.

That leaves a payment to reflect the distress and inconvenience caused to Mrs G as a result of this matter. I accept that sending the deeds incorrectly to her ex-husband has caused Mrs G avoidable anxiety and upset. There will be additional inconvenience in registering the property because of the missing documents – along with the stress and hassle of complaining. Overall, I consider the proposed award of £600 is a fair amount to reflect the impact of this matter as a whole on Mrs G.

I would add that Co-op was not responsible for changing the title to reflect that the property was owned solely by Mrs G or for registering the property at the Land Registry. Neither of those things are something a mortgage lender would be required to do. Co-op did fail to amend its own records correctly, but the impact of that on Mrs G is accounted for in the compensation I have awarded.

My final decision

My final decision is that The Co-operative Bank Plc should:

- If Mrs G starts the process of registering her property with the Land Registry within six months of accepting this decision – refund 50% of any legal costs Mrs G incurs in registering her property at the Land Registry – subject to her providing Co-op with evidence of these costs having been paid.
- Pay Mrs G a total of £600 for any distress and inconvenience.
- Refund the subscription fees Mrs G paid for the deed retention service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or

reject my decision before 11 March 2025.

Ken Rose
Ombudsman