

## **The complaint**

Miss B's complaint is about her residential mortgage with Bank of Scotland plc (under its trading name of Intelligent Finance, but referred to here as BOS).

Miss B is unhappy that BOS will not accept her valuation of the property in relation to a potential negative equity sale. Miss B believes BOS's valuation is unrealistic. Miss B wants BOS to put a hold on the monthly interest payments until the property is sold, and for the bank to accept the valuation provided by her own surveyor as the correct one.

## **What happened**

I don't need to set out the full background to the complaint. This is because the history of the matter is set out in the correspondence between the parties and our service, so there is no need for me to repeat the details here. In addition, our decisions are published, so it's important I don't include any information that might lead to Miss B being identified. So for these reasons, I will instead concentrate on giving a brief summary of the complaint, followed by the reasons for my decision.

Miss B took out her mortgage with BOS in 2007, borrowing £420,000 on an interest-only basis over a term of 14 years. The estimated valuation of the property stated in the mortgage offer was £560,000. The mortgage term has now expired and the balance is due to be repaid.

The mortgaged property has been rented out for a number of years, and Miss B lives in a different country. She wants to sell the property, but believes BOS's surveyors have placed too high a value on the property.

BOS's surveyors – a firm I will call E – considered the property to be worth £270,000.

Because Miss B believed BOS's valuation is too high, she complained to the bank, which didn't uphold the complaint. BOS noted that Miss B had had an offer on the property for £150,000, which BOS had declined. BOS explained that interest would continue to accrue on the mortgage, and explained to Miss B the options available to her in relation to voluntary surrender of the mortgaged property. BOS also signposted Miss B to various advice agencies.

Dissatisfied with BOS's response, Miss B raised her complaint with our service. An Investigator looked at what had happened but didn't think the complaint should be upheld.

Miss B disagreed with the Investigator's findings, producing a valuation from her own surveyor of £150,000, which BOS has rejected as too low.

As the matter is unresolved, it falls to me to issue 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.

On 15 April 2025 I issued a decision in which I explained that I can only consider matters that have arisen from 15 March 2024 onwards. That's because Miss B didn't refer her complaint about issues arising before that date to us in time. I've reviewed our jurisdiction, and I'm satisfied that I can't consider anything that happened prior to 15 March 2024.

The evidence in the case is detailed, running to several hundred pages of documents. I've read everything, and it's apparent that some parts of the evidence are less relevant to the underlying case than others. There are also a lot of duplicated documents and repetition of arguments. In what follows, I have, by necessity, summarised events in rather less detail than has been presented.

No discourtesy's intended by that. It's a reflection of the informal service we provide, and if I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint. This approach is consistent with what our enabling legislation requires of me. It allows me to focus on the issues on which I consider a fair outcome will turn, and not be side-tracked by matters which, although presented as material, are, in my opinion peripheral or, in some instances, have little or no impact on the broader outcome.

The crux of this complaint is that Miss B disagrees with the valuation placed by E on her property, which she believes is too high. As a result, Miss B says that BOS is unreasonably rejecting offers on the property which are lower than E's valuation.

I will explain that my role is not to decide whose valuation is the 'right' one, or to substitute my own decision on what I think is the correct valuation in place of the valuation placed on the property by either E or Miss B's surveyor. That is not the purpose of the Financial Ombudsman Service. What I have to decide is whether BOS has acted fairly and reasonably in all the circumstances.

BOS isn't a firm of surveyors, and so when it requires a property to be valued BOS will instruct a surveyor to do this on its behalf. BOS is required to instruct a suitably-qualified firm, and in this case the surveyor who carried out the valuation is a Member of the Royal Institution of Chartered Surveyors.

The surveyor appointed by BOS valued the property at £270,000. I'm satisfied BOS is entitled to rely on that valuation based on the surveyor's expert opinion. It's therefore not unfair, unreasonable or wrong for BOS to accept its own expert's opinion.

I appreciate that BOS's valuation is higher than that of Miss B's surveyor, but as I said above, it's not for me to decide which valuation is the correct one. I appreciate that the value put on the property by E has resulted in BOS declining the offers Miss B has had on the property as being too low. However, that is a commercial decision BOS is entitled to make.

I appreciate this isn't the outcome Miss B was hoping for. I know she is keen to sell the property to reduce the overall mortgage debt, which is continuing to accrue interest (in accordance with the mortgage terms and conditions). Because I'm satisfied BOS has acted reasonably, I'm not going to order the bank to freeze interest on the account until the property is sold.

BOS has explained that it is open to discussing the sale of the property with Miss B, and has also provided her with details of agencies that could provide her with support. I'm not persuaded BOS is required to do anything more than this.

## **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 Miss B to accept or reject my decision before 15 May 2025.

Jan O'Leary  
**Ombudsman**