

## **The complaint**

Mr and Mrs A complain about action West Bromwich Mortgage Company Limited has taken in relation to the sale of the properties subject to buy to let mortgages, and action taken to recover the shortfalls following sale.

## **What happened**

Mr and Mrs A had several buy to let mortgages with West Bromwich. Unfortunately the mortgages fell into arrears and West Bromwich appointed receivers to manage the properties. The receivers sold the properties to repay the mortgages – but the sale prices were not enough to repay the whole outstanding debt, leaving shortfalls. The last property sale was in 2015.

In 2024, West Bromwich contacted Mr and Mrs A about the outstanding shortfalls, which prompted them to make this complaint. They said:

- The properties were sold by West Bromwich for less than they were worth. It had not done enough to obtain a fair price.
- West Bromwich was reporting amounts to their credit files inconsistent with what it had said the outstanding debts were.

I've already issued a jurisdiction decision in which I explained that I have no power to consider any part of the complaint, other than credit file reporting within the last six years.

## **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.

Although the property was sold prior to that, West Bromwich didn't report one of the mortgages as having been defaulted until November 2015. The delay in making the initial report falls outside my jurisdiction, as I explained in my jurisdiction decision.

Mr and Mrs A also complain about what their credit files showed more recently – until the report dropped off their credit files six years after the default, in November 2021. And they're concerned about a discrepancy between the total amount of the debt reported then, and the amount West Bromwich now says they owe.

As I explained in my jurisdiction decision, I can't consider the amount West Bromwich is seeking to recover now, because it's no longer a mortgage shortfall debt – it's a County Court judgment debt secured by a charging order. I have no power to consider the collection of judgment debts or the enforcement of court orders.

I have no reason to believe the amount reported to Mr and Mrs A's credit files as the default sum is incorrect. It's slightly higher than the amount West Bromwich now says is outstanding – but the court ordered Mr A to pay £30 per month towards the judgment debt, which would explain why the balance is now slightly lower.

Even if the reporting to their credit files of the amount of the debt was incorrect – and I don't find that it was – I'm not persuaded that it would have resulted in any detriment to Mr and Mrs A before it fell off their files in 2021. They have outstanding County Court judgments for the same debt, which would also appear on their credit files. So a small discrepancy in the amount of a default is unlikely to have significantly changed the view other potential creditors may have taken of their credit files. Nor is the presence of the default itself. And Mr and Mrs A haven't provided evidence of any specific detriment caused by the default remaining on their files after it ought to have been removed.

The default ought to have been recorded in 2010, meaning it would have dropped off their credit files in 2016 – but instead it was reported in 2015, and stayed on until 2021. However, it has now been removed from Mr and Mrs A's credit files. I can't consider what was reported before April 2018, six years before this complaint was made. And I've not seen any evidence that the presence of the default between 2018 and 2021 resulted in detriment to Mr and Mrs A. Clearly it shouldn't have been there. But I've seen no evidence that it being there had an adverse impact on them. To that extent, I don't uphold this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs A to accept or reject my decision before 12 June 2025.

Simon Pugh  
**Ombudsman**