

## **The complaint**

Mrs B and Mr S complain that for a period in 2024 they missed making their mortgage payments on their residential property as they fell due and Kensington Mortgage Company Limited failed to notify them about the missed payments.

## **What happened**

Mrs B and Mr S have a buy to let and a residential mortgage with Kensington. This complaint relates to the residential mortgage. They pay the mortgages from a separate bank account but in April 2024 due to an oversight they failed to make sure they had retained sufficient funds to cover the monthly payment on the residential mortgage. Mrs B and Mr S say they got no communication from Kensington during this time. They were on holiday abroad in July and August 2024 and whilst they were away a relative visited the property and found a message left there by a field agent on behalf of Kensington. On their return when they contacted the agent, they found that they had missed the mortgage payments between April and August 2024 on their residential home although the mortgage payments on their buy to let were being met. When Mrs B and Mr S became aware of it, they paid the outstanding balance. They now find that their credit file has been affected which they say would not have been the case had Kensington been in contact with them at an early stage.

Kensington says that it reported the non-payments correctly to the credit reference agencies and that it sent arrears letters to their residential address after the account fell into arrears, so it says that it did nothing wrong.

Our investigator said that the evidence showed that Kensington had issued 13 arrears letters to Mrs B and Mr S's residential address and so had informed Mrs B and Mr S about the non-payment of the mortgage and that it had correctly reported these to the credit reference agencies. So, our investigator didn't recommend that this complaint should be upheld. Mrs B and Mr S disagree and asked for a review.

## **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.

Kensington provided a mortgage to Mrs B and Mr S and in return Mrs B and Mr S are expected to make the contractual monthly payments each month as they fall due. Kensington will report to credit reference agencies if the payments are made each month and also if the payments are not made in a particular month. In 2024 Mrs B and Mr S failed to make the payments over several months and Kensington reported that to the credit reference agencies. It's Mrs B and Mr S's responsibility to make the payments as they fall due and for a period, they didn't. Kensington have a duty to report fair and accurate information about the account to any credit reference agency it uses, and the evidence is that it did that.

I appreciate that this impacts Mrs B and Mr S's credit file. But Kensington cannot report that the payments were made on time if that is not the case and cannot fairly amend the credit

file as Mrs B and Mr S would like. I do note that Kensington in a message of 9 September indicated to Mrs B and Mr S the facility for them to use a Notice of Correction to explain how the arrears accrued on their credit file to prospective lenders and Mrs B and Mr S may wish to consider doing that.

Mrs B and Mr S say this situation wouldn't have arisen if Kensington had reminded them that they missed the payments. But ensuring payments are made on time in accordance with the mortgage agreement is down to Mrs B and Mr S. Kensington under MCOB 13 owes certain duties to ensure that customers who have payment difficulties receive appropriate information and support. But Mrs B and Mr S say they had no payment difficulties, and the payments weren't made because of an oversight.

Of course, Kensington wasn't to know that and as the payments weren't being made without explanation it began its process to comply with its duties to a customer in financial difficulties by issuing arrears letters and inviting contact. Mrs B and Mr S say that they never received the arrears letters, but the evidence is that arrears letters were sent out by ordinary second-class post and addressed correctly. I consider that it was reasonable for Kensington to have attempted contact with Mrs B and Mr S using second class post as it's an acceptable form of letter delivery service commonly used by businesses. As the address on the letters is the correct address, I don't consider it likely that there was confusion causing the letters to go elsewhere even if there was an issue with the address for correspondence on the buy to let mortgage. It's unfortunate that the letters weren't received by Mrs B and Mr S but of course Kensington wouldn't have known that until Mrs B and Mr S told the lender of that on their return from a holiday abroad.

I note that by email of 26 June, Mrs B and Mr S asked me to consider some further points which I did. They say that the missed payments were not a result of negligence or financial negligence on their behalf but due to a failure in communication. But the missed payments were not the result of any failure by Kensington but the result of Mrs B and Mr S not ensuring that the payments were made on time.

In summary. I don't consider that Kensington breached any of its obligations to Mrs B and Mr S or acted contrary to any of the FCA Principles and I can't fairly uphold this complaint.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr S to accept or reject my decision before 1 October 2025.

Gerard McManus  
**Ombudsman**