

The complaint

Mr A and Ms O complain about a number of problems they have with their TSB Bank PLC mortgage.

They are:

- That Ms O had problems with TSBs Customer Verification Process CVP when trying to access information about the mortgage.
- That the amount Mr A and Ms O owed as shown on a recent redemption statement was incorrect.
- That the mortgage increased by £40,000 in 2007 when it moved to TSB.

The complaint is in joint names, however as all our dealings have been with Ms O, I'll mainly refer to the complaint as being brought by her for ease.

What happened

Mr A and Ms O have had a mortgage with TSB since 2007. This mortgage was a remortgage from another lender that is not linked to TSB. When they first took the remortgage, it was with Lloyds TSB. As part of a restructuring exercise, some mortgages were passed to the Lloyds brand, and others to the TSB brand. Mr A and Ms O's mortgage fell under the TSB brand.

Mr A and Ms O referred a previous complaint to our Service in 2024 which was reviewed by an Investigator. This complaint related to changes to the interest rate of the mortgage and the manner which TSB had dealt with Mr A and Ms O whilst their mortgage was in arrears up to August 2024. As that complaint has now been responded to and closed by our Service, this complaint won't revisit those points.

In late 2024, Mr A and Ms O complained to TSB about problems Ms O had whilst trying to pass its CVP. TSB didn't uphold that complaint. Mr A and Ms O raised a further complaint shortly after this about the amount a recent redemption statement said they owed on their mortgage. Again, TSB didn't uphold the complaint. Ms O referred these complaints to our Service.

One of our Investigators explained that we couldn't consider a complaint about the interest rate applied to Mr A and Ms O's mortgage as we'd previously confirmed this complaint had been referred to us too late. Our Investigator thought that TSB had treated Ms O fairly when she wasn't able to pass its CVP, and he explained the reason that the mortgage balance was at the current level was due to Mr A and Ms O not having made payments since May 2023.

Ms O didn't accept this. She explained she believes that the discrepancy in the amount they owe came from when Lloyds and TSB split. Ms O provided two documents that she said showed the mortgage had increased by around £40,000 in 2007.

TSB provided documents from when the mortgage was first set up. This included the application form, mortgage offer and details of the solicitors who completed the legal work for the remortgage. Our Investigator explained to Ms O that the remortgage was away from another lender in 2007 to Lloyds TSB (now TSB). He remained satisfied that the mortgage amount owed was correct. Our Investigator provided these documents to Ms O.

Ms O reviewed the documents TSB had provided and stated she believed they were forgeries. She said she didn't sign any of these documents in 2007.

TSB issued a new final response letter in relation to the complaint that the original mortgage was set up fraudulently. It said that the complaint had been brought too late for it to consider the complaint point. Whilst TSB agreed for this complaint point to be brought under this complaint reference, it objected to our Service considering it as it said the complaint had been referred to us too late under our rules.

Our Investigator issued a fresh opinion on the new complaint point. He said that the complaint about the amount originally borrowed and the mortgage being allegedly set up fraudulently had been raised too late for us to consider it.

Ms O didn't accept this. She said TSB hadn't provided evidence as to where the additional £40,000 had been paid. She said this mortgage had not been taken out by her or Mr A and that she's only found out about this recently, so it had been referred to us in time.

Ms O asked that the complaint be referred to an Ombudsman. So, it's been passed to me to review and make a decision.

During this time, Mr A and Ms O have been arranging to let the property. TSB has said it doesn't consent to them letting the property, but Ms O says she doesn't need TSB's permission to do so. Given the level of arrears (around £35,000), TSB has pursued the matter via court seeking a possession order. In June 2025, a warrant for eviction was granted by a court.

I issued a decision on 22 July 2025. In this, I set out what points this Service could and couldn't consider. I explained that the points that were originally brought under this complaint reference could be considered as they'd been referred to us in time. This was:

- That Ms O had problems with TSBs CVP when trying to access information about the mortgage.
- That the amount Mr A and Ms O owed as shown on a recent redemption statement was incorrect.

I explained that the complaint about the mortgage originally being set up in 2007 had been referred to us too late, and that, because TSB hadn't consented to us considering this point, we didn't have the jurisdiction to consider it under our rules.

I asked both parties to confirm if they had anything further to add before I would issue a decision on the merits of the complaint points we could consider. TSB confirmed it had nothing further to add.

Ms O responded in detail. She said she'd originally complained about the mortgage being set up in 2023 and that it was only when receiving documents from TSB in 2024 that she realised she had reason to complain. Ms O also said that she'd not received mortgage statements for some time prior to the complaint being submitted as the property had been rented out for many years and she didn't know who had opened the statements. Ms O

maintained that she hadn't borrowed additional funds when transferring the mortgage to TSB. Finally, Ms O explained she felt this might be to do with the split of Lloyds Bank and TSB when the mortgage was transferred to TSB.

The complaint is now back with me to make 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.

First, I'd explain that I've already issued a decision explaining that the point about the mortgage being arranged in 2007 was referred to us too late for us to consider it. Nothing Ms O has said in response has changed this.

The rule I referenced in that decision says that a complaint must be referred to us within six years of the event being complained about or, if later, within three years of when the consumer knew, or ought reasonably to have known, that they had reason to complain. The mortgage was arranged in 2007, so this is more than six years ago, it's therefore the second part of this rule that's Ms O is now challenging.

Whilst Ms O has given further reasons for why she brought the complaint when she did, I explained in the previous decision that I thought Mr A and Ms O ought reasonably to have been aware sooner that the mortgage balance was higher than the amount they say they had borrowed.

Ms O's argument is that she has recently received new documents which give more information about her complaint. However, a consumer doesn't need to know everything that has gone wrong or have all pieces of evidence in order to bring a complaint. Instead, they just need to know (or ought reasonably to have known) that something wasn't right. And it remains the case that, for the reasons set out in my previous decision, I think Ms O and Mr A ought reasonably to have known more than three years prior to bringing the complaint that they had reason to complain given the information they would've been provided with when the mortgage was arranged, and the annual statements they've received since. So, this complaint point remains outside of our jurisdiction, and I won't comment on it further.

I'll now address the two complaint points that have been referred to us in time.

Problems Ms O had with TSB's CVP when trying to access information about the mortgage.

It's unfortunate that Ms O wasn't able to pass security on the phone to TSB in the first place. Questions that are asked for security reasons are necessary for TSB to ensure they are talking with someone they are authorised to. And to ensure that information isn't given out to third parties or potential fraudsters. The questions typically asked to pass security processes such as this are usually ones that most people would be able to answer simply without needing further information. I've seen nothing to suggest that the questions TSB asked Ms O were unreasonable or onerous.

The idea of going into a branch with ID to pass security was a reasonable one, but it's unfortunate that Ms O arrived as the branch was closing. I can't say that this was the fault of TSB though. So, I'm not going to uphold this complaint point.

The amount Mr A and Ms O owed as shown on a recent redemption statement was incorrect.

Mr A and Ms O's mortgage has always been on an interest only basis, which means the amount borrowed will remain the same, so long as monthly payments are maintained, as the monthly payment only goes towards the interest charged.

I can see that over time the balance was staying the same as the amount shown in the mortgage offer and the amount Mr A and Ms O originally borrowed (I know they dispute this but as I've explained above, I can't consider this). Since 2023, Mr A and Ms O have stopped making payments. The arrears now stand at over £35,000, which has led to the balance increasing as missed payments will be added to the amount owed. Furthermore, the cost of taking legal action has also been added to the mortgage. Mr A and Ms O haven't yet complained to TSB about this, so I won't consider whether they've been applied correctly or not. However, I would add that a lender is typically allowed to add costs for taking legal action when arrears reach a level and no effort is made by the borrower to address these arrears or restart payments, which seems to be the case here.

Whilst we aren't able to forensically audit an account, I've seen nothing to suggest that the amount TSB says Mr O and Ms A owe is wrong. I know now that this matter has reached the point where a possession order has been granted. It's likely this court order will confirm the amount Mr A and Ms O owe to TSB. I can't overturn a court order, so if Mr A and Ms O wish to dispute this, then they should go back to the court.

It follows that I don't uphold this complaint point.

Ms O has said she expects us to report this to the relevant authorities. It's unclear exactly what she wishes us to report, but that's not something for our Service to do. If Ms O thinks matters should be reported elsewhere, then she will need to do so herself.

I don't know if the property has been taken into possession by TSB yet or not. If not, I'd strongly recommend Mr A and Ms O engage with TSB at the earliest point to see if arrangement can be made.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Ms O to accept or reject my decision before 26 August 2025.

Rob Deadman
Ombudsman