

The complaint

Mrs G complains that Intrum Mortgages UK Finance Limited:

- Delayed approval of changes to the property's title.
- Did not chase payments when no payments were made to the home purchase plan for several years.
- Is unfairly requiring her to repay the remaining balance of the home purchase plan.

What happened

In 2007, Mrs G took out an Islamic finance home purchase plan (the plan) with her husband Mr W. They divorced in 2019 and he passed away in 2023. The loan was with Alburaq – and Intrum now owns the loan. For ease, I'll refer to Intrum throughout this decision.

Under the plan Mrs S sold the property to the plan provider and agreed to buy it back under a diminishing ownership agreement where she made monthly payments over the term of the plan and rental payments. The plan was due to be repaid over 17 years – so by 31 May 2024. But no payments were made from 2017. Intrum is seeking repayment of the plan.

In 2014, Mrs G and Mr W agreed with a property developer for the ownership of a strip of land adjacent to their home to be transferred to them. But the plan provider would not agree to that. It wanted the strip of land to be transferred to it. I understand that process has still not formally completed.

Mr W made a complaint to Intrum in December 2022 about poor service and delays in respect of the above land transaction. It sent a final response to that complaint on 10 February 2023.

In 2024, Mrs G complained about delays to the land transaction, that the plan provider did not chase any payments and that it is seeking repayment of the plan when she does not have the means to repay it.

I issued a decision saying that we could consider the complaint about the delays.

I also issued a provisional decision setting out why I considered that Intrum's offer of £750 was a fair way to settle this complaint. My provisional findings, which form part of this decision, were:

Delays

It is clear that the proposed land transaction has taken a very long time. My understanding is that has still not completed despite starting in 2014. Looking at the evidence we have it is far from a straightforward transaction. There are several different parties involved. But the evidence I have does not support that Intrum was responsible for the full length of time it has taken – and it is entitled to take steps to protect its position in respect of the plan.

In saying that it has accepted that it offered a poor service and could have done more to support Mr W and Mrs G. It offered "£750 for any distress and inconvenience it has caused. And I think that is likely to be fair in view of the evidence that is available to me, bearing in mind I can only consider events from December 2016 and as Intrum was not solely responsible for the length of time this matter has taken.

The balance

The evidence Intrum has provided regarding the contact between the lender and Mrs G and Mr W is incomplete. We can only see part of the notes that were made. But I can see that Mr W was in contact with the lender during the period in question. It appears that payments were withheld because of the dispute regarding the land transaction. Later it appears there were further discussions with an intention that payments would resume once the land transaction was complete and Mr W could put his plans for redevelopment in place.

Nevertheless, Mrs G remained a joint party to the plan. She was sent annual statements showing the balance of the plan, that it was in arrears and that no payments had been made. Further, letters were sent each year from 2017 to 2024 saying the plan was in arrears and encouraging contact to discuss them. I am satisfied that Mrs G was given sufficient information that the plan was in arrears and she should contact the plan provider to discuss it.

The term of the plan has now ended and the full balance is now due. It is reasonable for Intrum to seek payment of the amount due. It is required to treat Mrs G fairly. But there do not appear to have been any substantive discussions regarding her circumstances or any plan to repay the balance of the plan. So as things stand, I don't consider that Intrum has treated her unfairly.

Intrum did not respond. Mrs G's representative responded to make a number of points, including:

- The delays were with the proposed land transaction. Intrum caused the delays because it did not sign the relevant documents.
- The delays are not just with Intrum but with the developers.
- He provided an email from one of the parties that set out that it was awaiting approval of the documents from Intrum and confirmation that it would accept the surrender of the leasehold interest and transfer of the freehold interest from the bank to Mrs G. Along with confirmation from the estate of Mr W whether it would accept the freehold title to be transferred into Mrs G's name or if they have different requirements.
- Intrum's delay has gone on for too long and were the main reason the transaction has been delayed.

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.

I've looked at everything again. Having done so I have reached the same decision I did in my provisional decision.

It is not in dispute that Intrum has not handled this matter as well as it could have and could have done more to support Mrs G. But it was entitled to take steps to protect its position and to task for legitimate information. And it appears that progress stalled following Mr W's death.

Putting that aside, the evidence I have does not support that the proposed land transaction would have completed even if Intrum was happy with the proposal. I say that as the evidence we have suggests that unforeseen events and third parties involvement has complicated matters at times. And in any event, action is required by parties other than

Intrum for the proposed transaction to go ahead. So while I accept Intrum's solicitors have not handled this matter well, I do not have sufficient evidence to say the transaction would have gone ahead but for Intrum.

Overall, I consider that £750 is a fair amount to reflect any distress and inconvenience caused by the delays. If Mrs G has legal representation then I'd hope Intrum and its representatives will take steps to co-operate and move things as long as quickly as possible.

Nevertheless, the term has now ended and it is reasonable for Intrum to seek payment of the amount due.

My final decision

My final decision is that Intrum Mortgages UK finance Limited should pay Mrs G £750.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 23 October 2025.

Ken Rose
Ombudsman