

The complaint

This complaint is about an expired interest-only mortgage that Mr V holds with The Mortgage Business Plc trading as TMB. The complaint relates primarily to how TMB has dealt with Mr V's requests for help during an extended period of financial hardship, most recently his proposals for settling the debt to avoid his property being re-possessed and sold at auction.

What happened

Mr V took the mortgage out in 2006 and extended it in 2007. It's interest-only, and both parts of the mortgage were due for repayment in 2023. Mr V has been in financial difficulties with the mortgage for much of its lifetime; he attributes that the adverse effect of the financial crisis that began to unfold in 2008.

Mr V has complained to us before about how TMB had dealt with his financial difficulties; in 2021, a fellow ombudsman issued a final decision on a number of topics, one of which was TMB's treatment of Mr V's proposals at the time for repaying arrears by splitting the property into two titles.

The current complaint is about more recent events; Mr V stopped making his contractual monthly payments in 2019, causing arrears to escalate considerably. Then, in 2023, the mortgage fell due for repayment in full. A possession order was granted in favour of TMB in September 2023, and a money judgment was handed down in February 2024. The former has not been enforced; at the time of writing, TMB has enforcement action on hold whilst we deal with this complaint.

Mr V made a complaint in early 2024 about TMB's actions (and that of its solicitors, a firm I'll refer to as A). TMB addressed it in a final response dated 11 March 2024. Mr V put forward proposals in November 2024 as an alternative to TMB enforcing its possession order, and complained when it didn't respond to his satisfaction. TMB addressed that complaint in a final response dated 19 February 2025, and Mr V referred all of his complaint issues to us in May 2025.

In a jurisdiction decision dated 24 November 2025, I determined that my remit to consider the complaint should be confined to the following.

- TMB, or A on its behalf, not considering in a timely manner settlement proposals Mr B presented to it in November 2024;
- the continued application of interest, fees and legal costs since the money judgment was handed down in February 2024; and
- the lack of transparency with regard to legal costs debited to the mortgage since the money judgement was handed down in February 2024.

What I've decided – and why

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job

of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers.

In doing that, we don't replicate the work of the courts. Whilst statutory, our scheme is intended to provide swift outcomes to disputes between business and the customers, with a minimum of formality. We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

TMB, or A on its behalf, not considering in a timely manner settlement proposals Mr B presented to it in November 2024

One of Mr V's frustrations is that he wanted to deal directly with TMB, and not through A. He thinks A should always have passed all of his communications to TMB for it to consider directly. That's not something I think TMB or A were obliged to do. TMB had appointed A to act as its agent, and A was able to exercise its own judgement on when it could make decision directly on behalf of TMB and when it was appropriate to consult its principal first.

On the issue itself, my starting point here is that Mr V borrowed money from TMB and under the terms of his original agreements with TMB, was due to repay the money in mid-2023. No one is entitled to borrow money; and even when they've borrowed, they're not automatically entitled to more time to repay the debt after it has fallen due. But a lender must treat customers fairly, and I'll deal with that next.

Looking at what Mr V wanted TMB to consider as an alternative to enforcing its security, it seems to me that we've been here before. The alternative proposals Mr V put to TMB in November 2024 are not hugely dissimilar to those he asked it to consider several years ago, and which were central to the final decision issued by me fellow ombudsman in 2021. In her decision on that complaint, my colleague thought TMB should have given the proposals more consideration before initiating legal action. But to be clear, she neither said nor implied that TMB should have accepted Mr V's proposals, or that it should do so in the wake of her decision.

As to whether it should fairly and reasonably have agreed to Mr V's proposals in November 2024, everything has a context, and the wider circumstances in November 2024 were far less favourable to Mr V than they were in 2020/21. Firstly, the mortgage contract had expired, secondly Mr V hadn't maintained his monthly interest payments since 2019 (the statements only show a number of sporadic payments of £1,000 here and there) and thirdly, TMB had been to court and obtained a possession order *and* a money judgment.

Mr V has already been seeking, and receiving, forbearance for many years. To be presented with largely the same idea it had been asked to consider several years earlier, I can understand if TMB's patience, and its confidence in Mr V's ability and inclination to resolve the situation, had run out by the end of 2024. Mr V has described his situation as complicated, but in one sense it's relatively simple. The proposal's he offered TMB in November 2024 would not have cleared his debt to it.

I appreciate Mr V thinks the decision could have been conveyed sooner and in more detail. There's a case for that, but not to the extent that I could say Mr V has been prejudiced in the wider context. TMB has decided, not unfairly in my view, that Mr V's proposals weren't a

viable alternative to enforcing its security. Any tardiness in telling him that will only have delayed it seeking to resume enforcement, thus giving him more time to prepare for that.

The continued application of interest, fees and legal costs since the money judgment was handed down in February 2024

As set out in my jurisdiction decision, the effect of the money judgement is that the court has validated all of the interest, fees and legal costs up to that point. It's not appropriate for me to second-guess the court's decision, so all I've considered is those fees, charges and costs that TMB had added to the mortgage account since the money order.

The first point to make is that TMB *can* debit the sums Mr V is complaining about; it's permitted in the mortgage contract, even though that contract has expired and Mr V is in breach of it. I can still assess the extent to which TMB has acted fairly in applying interest, fees and legal costs in that period. Overall, I think it has. It's provided us with A's invoices for the relevant period, and having reviewed them, I don't find the work done, or the amounts charged for it, to be excessive or disproportionate to the circumstances.

The lack of transparency with regard to legal costs debited to the mortgage since the money judgement was handed down in February 2024

TMB didn't comply with Mr V's requests for copies of A's invoices and/or time sheets, and whilst I appreciate his feeling on the matter, fair treatment didn't require that it do so.

Other matters

I've already explained that action to enforce the possession order is currently paused whilst we address this complaint; meanwhile, another complaint is in the pipeline. It's important to explain here that lenders will generally agree not to pursue recovery action whilst we look at a complaint, but they don't have to and we can't force them to.

If the Financial Ombudsman Service had that power it would undermine our impartiality between the parties to a complaint. It would also create the potential for consumers to use our service to bring complaints with the intention of having any legal action put on hold, thereby obstructing businesses that were trying to take action through the courts to recover money legitimately owed by the consumers.

I do not wish to alarm Mr V but I would not want him to be under any misunderstanding that we would tell TMB that it must delay enforcement action in the event of any new complaint being raised about the mortgage. It is a matter for a court to decide whether it is appropriate to adjourn or suspend any legal action, not this Service.

I know this isn't the outcome Mr V wanted. He is in poor health and faced with the prospect of having to find a way to deal with the long-overdue mortgage balance, with the potential risk of having to find a new place to live if he doesn't. If he's unable to reach agreement with TMB, TMB could potentially enforce its security over his home. That's a horrible situation for Mr V to be faced with, and he has my sympathy. But for all the reasons I've explained, I can't find that TMB's actions are unfair, however unwelcome they might be.

My final decision

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

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 23 December 2025.

Jeff Parrington

Ombudsman