

complaint

Mr and Mrs E complain that Landmark Mortgages Limited acted unfairly and unreasonably when dealing with their mortgage and the interest charged. They want matters put right.

background

Mr and Mrs E took out a mortgage with a lender, which ended up being sold to Landmark. They ended up on the standard variable interest rate ("SVR") when their mortgage product ended and were unhappy as Landmark doesn't offer new mortgage products. Mr and Mrs E felt that this wasn't fair.

Mr and Mrs E complained to Landmark. It confirmed that Mr and Mrs E got the benefit of the interest rate for the product they took out for the period promised and then moved onto the SVR. Landmark explained that it wasn't able to offer a new mortgage product.

Mr and Mrs E complained to us. The adjudicator's view was that Landmark wasn't at fault. The interest rate had been correctly charged and Landmark couldn't offer new products. He pointed out that Mr and Mrs E could move to another lender to get a better mortgage product, but the complaint wasn't upheld.

Mr and Mrs E disagreed. They said they felt choice had been taken away from them and due to being self-employed, their ability to get a new mortgage was limited. Mr and Mrs E also said that they didn't get the original interest rate for five years and felt the SVR was too high. The adjudicator explained that the original interest rate wasn't due to last five years and lasted for as long as the mortgage offer had stated, and that his view hadn't changed.

my findings

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

Having looked at the evidence available to me, I'm satisfied that Mr and Mrs E's original interest rate lasted until the date stated in the mortgage offer accepted by them. And while Mr and Mrs E may feel that the SVR is too high, lenders are able to set interest rates at a commercial rate, so I can't interfere with that.

While I appreciate Mr and Mrs E's frustration, Landmark isn't able to offer new lending, including new mortgage products. Again, I can't interfere with this position. Mr and Mrs E are free to remortgage elsewhere; there are mortgages available for the self-employed, including those in Mr and Mrs E's position.

And while Mr and Mrs E are unhappy about being customers of Landmark, I can't say that it was unfair or unreasonable for them to be transferred to that business, given the nationalisation of the original lender. While customers might've liked to have been given a choice, it wasn't unfair or unreasonable to fail to give them that opportunity.

my final decision

My final decision is that I don't uphold the complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs E to accept or reject my decision before 29 December 2018.

Claire Sharp
ombudsman