

complaint

Mr and Mrs M complain that Gateway 2 Finance Limited unfairly and unreasonably delayed their application for a secured loan. They want compensation.

background

Mr and Mrs M wanted to borrow money secured against their property. Their adviser approached Gateway. After carrying out credit searches, only one lender on Gateway's panel would lend the full amount Mr and Mrs M wanted. Mr and Mrs M said the application took too long and meant they had to pay more interest for their short-term loans.

Mr and Mrs M complained to Gateway. It said the information first given to the adviser wasn't correct, and the amount Mr and Mrs M wanted to borrow kept changing. It pointed out that the application was considered in less than a month, but more information was required from Mr and Mrs M and their mortgage company. Gateway said it chased for this information often, and sometimes every day.

When the information was received from the mortgage company, by then Mr and Mrs M's credit records had changed as they hadn't paid their debts while on holiday and the lender reduced the amount it was willing to lend. Gateway said it wasn't at fault and the delays weren't due to its actions.

Mr and Mrs M complained to us, and said they'd been told not to worry and everything would be sorted out. The adjudicator said Gateway wasn't at fault and had done everything it reasonably could to help Mr and Mrs M. It hadn't promised to get the creditors to agree to a delay in payment while Mr and Mrs M were away on holiday; it said it would try and it did so without promising success.

Mr and Mrs M disagreed. They sent more evidence they said showed Gateway had made mistakes with their application.

my findings

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

I appreciate Mr and Mrs M felt very disappointed by the outcome of their application, but I can't say Gateway was at fault. I think it did everything it could reasonably in the circumstances. It explained why one lender was willing to lend and the information required to get that loan. It wasn't responsible for the delays in providing that information and chased the other parties involved frequently.

And I think it's more likely than not Gateway didn't promise the creditors wouldn't need payment while Mr and Mrs M were away on holiday; it offered to ask if the creditors would accept a delay and did that. But it's not Gateway's responsibility to ensure Mr and Mrs M's creditors were paid on time and lenders generally do have the right to change offers if credit records significantly change.

I think Gateway did manage Mr and Mrs M's expectations, but the problems with their application weren't the fault of Gateway.

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 M to accept or reject my decision before 11 April 2016.

Claire Sharp
ombudsman