

complaint

Mr N complains that Platform Home Loans Ltd ("Platform") unfairly has charged him a fee and claimed it from his mortgage. He wants the fee refunded, together with interest.

background

Mr N mortgaged his property with Platform. His property needed to be split into two titles with the Land Registry as part of the process. Something went wrong with the registration and Platform said as a result it had to spend money on solicitors. It told Mr N he'd have to pay this cost and added the money to his mortgage. Mr N said he wasn't given the chance to just pay Platform and not pay interest on the fee. Mr N complained to his solicitor, who said his firm wasn't liable to pay this cost, despite the concerns raised by Mr N who said he'd paid the solicitor to deal with the matter properly.

Mr N complained to Platform. It said its security wasn't properly registered at the Land Registry as required. It explained it repeatedly asked Mr N's solicitors to do this, but they didn't. Platform had to get another solicitor to register its security over Mr N's property, and this was the fee put on Mr N's mortgage. It had the right to ask Mr N to pay this under the terms and conditions of the mortgage. Platform said it had told Mr N what was happening and it wasn't at fault.

Mr N complained to us. The adjudicator's view was that Platform wasn't at fault. It gave Mr N's solicitors plenty of time to correctly register its security over the property, and kept Mr N updated. He said Platform did write to Mr N and give him the chance to pay the fee himself, but when this didn't happen, it had the right to claim the fee from his mortgage.

Mr N disagreed. He thought we should've told him earlier about the Legal Ombudsman, who deals with complaints against solicitors. He didn't think Platform had acted reasonably.

my findings

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

Lenders need their security properly registered at the Land Registry in order to protect its mortgage. This is well known to solicitors. It's clear the security wasn't properly registered for quite some time. This was the job of Mr N's solicitors. I can see Platform asked Mr N's solicitors to sort the matter out repeatedly, but they didn't. I don't think it was unfair or unreasonable to Platform to use its own solicitors to deal with the issue.

Under the mortgage terms and conditions, Mr N agreed to pay the costs of Platform if it was forced to sort out its security over his property. In the circumstances, I don't think it was unfair or unreasonable for Platform to ask Mr N to pay, particularly when his solicitors were asked to pay and refused.

Mr N was sent a letter telling him if he didn't pay the fee, it would be added to the mortgage. Mr N first said he didn't receive this letter, but I think Platform did send it and isn't at fault if it didn't reach him. I can see several letters were sent to Mr N updating him over the two years it took to sort the problem out. Mr N later said he thought seven days' notice to pay the fee wasn't enough, but I disagree. Platform kept him updated throughout and warned him earlier he'd have to pay if his solicitors either didn't sort out the problem or pay the fee.

I can only deal with complaints against those who are regulated by the Financial Conduct Authority. Mr N's solicitors aren't within my jurisdiction, but Mr N may find it helpful to contact the Legal Ombudsman. I appreciate Mr N feels frustrated we didn't tell him this earlier, but until we reviewed the matter we didn't know if Platform was at fault.

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 N to accept or reject my decision before 4 January 2016.

Claire Sharp
ombudsman