

complaint

Mr G (through a claims management company - CMC) complains that his mortgage was mis-sold by a mortgage broker, Alan Saundry Be Moneywise in 2007.

our initial conclusions

The broker hasn't responded to our enquiries. Documents were received from the mortgage lender. But our adjudicator wasn't persuaded that these were sufficient to support the complaint that the mortgage was mis-sold. The CMC disagreed and asked for an ombudsman to review the complaint.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr G and his mortgage lender have provided. No information has been received from Alan Saundry.

I'm aware from the information provided that Mr G took out a self-certified mortgage at a discounted interest rate, on an interest-only basis. Given the economic climate in May 2007, this type of mortgage was not unusual. Interest rates have now fallen significantly, so I'm not persuaded that Mr G has been disadvantaged by now being on his mortgage lender's Standard Variable Rate. Mr G is now paying significantly less for his mortgage than he was paying in rent – under £120 per month as opposed to £520 in rent (in 2007). So Mr G could, if he wished, remortgage onto a capital and interest repayment basis without any detriment to his financial position – and indeed be in a much better position than if he had remained a tenant. Mr G has never, as the CMC suggested, had to pay the 'reversionary payment' of over £700 per month.

It's unfortunate Alan Saundry failed to respond to our enquiries. But that doesn't mean that I have to find against him by default. I have to consider what is fair in all the circumstances. There is insufficient evidence to persuade me that this mortgage was mis-sold. Given this, I can see no real prospect of the complaint succeeding in the circumstances. And, as I've explained above, taking out this mortgage has ultimately been to Mr G's benefit rather than to his detriment.

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr G either to accept or reject my decision before 23 October 2013.

Jan O'Leary

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.