

### **complaint**

Through a claims management company, Mr and Mrs T complain that a mortgage arranged for them by Blue-Print Mortgages Ltd was unsuitable. In particular they say the advice to consolidate unsecured debts and to reduce the mortgage term was wrong in their circumstances.

### **our initial conclusions**

Our adjudicator didn't recommend the complaint should be upheld. She was satisfied the advice was suitable for Mr and Mrs T's circumstances. Their representative has asked for an ombudsman's review but has provided no new evidence or arguments.

### **my final decision**

To decide what is fair and reasonable in this complaint, I have considered everything that Mr and Mrs T and Blue-Print Mortgages Ltd have provided. Having done so, I have come to the same conclusion as the adjudicator, for largely the same reasons.

The point of sale documents detail Mr and Mrs T's requirements - to reduce their outgoings each month by consolidating their existing unsecured debt, reduce the term remaining on their existing mortgage and obtain a better rate of interest. The recommended mortgage met these requirements and ensured all Mr and Mrs T's unsecured debts and their mortgage would be paid off in 10 years, rather than the remaining term of 18 years on their previous mortgage. I'm satisfied that Mr and Mrs T were fully made aware of the implications of the advice (including consolidating their unsecured debt) and that the recommendation was appropriate for them, particularly in relation to reducing the term to 10 years. At the time of the remortgage they were aged 61 and 64, so reducing the term was to their benefit. Prior to the remortgage the cost of servicing their debts was approx. £1,760 per month. Payments on the remortgage were initially about £1,000 per month on a fixed rate, but are now on a variable rate. Given their income and the level of unsecured debt at the time of the remortgage, I'm satisfied Mr and Mrs T's position was substantially improved by taking out the new mortgage. Overall I'm satisfied the advice was suitable for Mr and Mrs T's circumstances.

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

**Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs T either to accept or reject my decision before 26 August 2014.**

*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.