

The complaint

Mr W and Mrs M have complained about an application they made through Trussle Lab Ltd trading as Trussle for a further advance on their mortgage.

What happened

Mr W and Mrs M had a residential mortgage with a lender I'll call B.

In October 2021 Mr W and Mrs M spoke to Trussle about borrowing an additional £180,000 against their property so they could buy another property in Scotland to rent out. The plan was the property would be bought outright using that £180,000, with no separate mortgage needed to purchase it.

In November 2021 Trussle submitted a further advance application to lender B on that basis. Lender B said that if the property was to be bought outright then confirmation was needed from Mr W and Mrs M's solicitor of the purchase price and that no further funding was being taken, or if a further mortgage was required then Trussle would need to amend the application to include the costs of that other mortgage. The broker confirmed the property was being purchased outright, and it was agreed that Mr W and Mrs M's solicitor would provide the confirmation required before completion.

After some back and forth over Mr W and Mrs M's income and other requirements a mortgage offer was issued in December 2021.

A few days later Trussle uploaded an amendment to the application asking that the loan amount be increased to £200,000. That was agreed and a revised offer was issued.

At the end of January 2022 Mr W and Mrs M decided not to buy the Scottish property, and instead wanted to buy a property near their home, again to rent out. However because the purchase price was higher they needed to obtain a buy-to-let ("BTL") mortgage to fund the remainder of the purchase price. They also decided to set up a limited company to purchase the new property. Trussle placed an application with another lender for the BTL mortgage with the limited company as the applicant.

On 14 February 2022 the limited company was incorporated, and the same day Trussle uploaded a further amendment to lender B, now asking for a loan amount of £220,000.

As the document hadn't been submitted correctly lender B asked Trussle to upload it again, and lender B also asked about the repayment strategy for the interest only borrowing. The broker uploaded the document again, and said the repayment strategy was the sale of the mortgaged property.

Lender B issued a mortgage offer on 3 March 2022 for a £220,000 further advance, and Mr W and Mrs M accepted that offer on 22 March and requested the funds be drawn down.

As part of its processing of that acceptance lender B reiterated its requirement that confirmation was needed from Mr W and Mrs M's solicitor that the funds would be enough to purchase the new property outright, without recourse to any further borrowing.

There was some back and forth between Mr W and Mrs M and Trussle over the next week or so, with Mr W and Mrs M chasing the release of the funds.

In the meantime Trussle, on 31 March, told lender B that Mr W and Mrs M were no longer purchasing the property in Scotland, and that now the funds were just to be the deposit for a different property with a BTL mortgage being taken out for the remainder of the purchase price. This meant the 3 March mortgage offer was no longer valid and the application would need to be re-underwritten as the lending proposal had changed due to the fact an additional mortgage debt was being taken out. Lender B requested an amendment form be submitted along with a copy of the new BTL mortgage offer.

On 4 April Trussle uploaded a copy of the mortgage offer from the other lender for the purchase of the BTL property.

Lender B reviewed this and upon noticing the mortgage offer was in the name of a limited company (rather than Mr W and Mrs M personally) was no longer willing to lend as the revised proposition fell outside its lending policy.

In the meantime Trussle uploaded the amendment to the mortgage application to include the monthly cost of the new BTL mortgage in Mr W and Mrs M's outgoings, and when that amendment was processed it triggered a new mortgage offer to be issued on 11 April.

On 13 April lender B confirmed to Trussle that the lending proposition was outside of its lending policy so it wouldn't be able to proceed with it.

Over the next few days there were conflicting messages from lender B, with the senior underwriter stating that the lending couldn't proceed as it was outside lending policy, but the broker support team confirming a new mortgage offer had been issued when it confirmed a complaint from Mr W and Mrs M had been logged.

On 22 April Trussle told Mr W and Mrs M that, despite trying to get the decision to decline the lending overturned, lender B wasn't willing to lend and so the transaction fell through.

Unhappy with the response they'd received from lender B to their complaint about what had happened, Mr W and Mrs M emailed Trussle to query what lender B had said about the information not being provided about the nature of the onward purchase.

Trussle treated that as a complaint and issued its final response letter on 13 October 2022. It didn't uphold the main thrust of the complaint, and offered £150 as a gesture of goodwill due to the disappointment caused.

In the meantime, the limited company was dissolved on 11 October 2022, and then on 8 January 2023 Mr W and Mrs M referred the two complaints to our service

Whilst the complaint was with us Trussle reviewed the matter again. It said that although the application would always have been declined by lender B, it hadn't clearly conveyed to the lender the revised lending proposition. It said that had caused a delay in the decline decision being given, and for that it offered a revised redress amount of £750.

Mr W and Mrs M didn't accept the offer. One of our Investigators reviewed the case and said Trussle should cover the costs incurred by Mr W and Mrs M for the failed transaction

between 25 January and 4 April 2022 as Mr W and Mrs M wouldn't have incurred those costs had the application been declined sooner.

Mr W and Mrs M didn't accept the outcomes of their two complaints overall, saying their losses are:

- The potential increase in value of the BTL property.
- The rental income that would have been received.
- The costs from the abortive purchase.

They said they couldn't settle one dispute without having clarity over the other, so I'm issuing decisions on both complaints. This decision only relates to the actions of Trussle albeit, due to the nature of the complaints, there will be repetition and cross over.

What I've decided – and why

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

Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on any specific point it's not because I've failed to consider it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

There are three steps I need to go through when deciding a complaint.

1. The extent of our powers, as set by the Financial Services and Markets Act 2000 ("FSMA"), is set out in the dispute resolution section of the regulator's handbook of rules and guidelines. This is commonly referred to as DISP and the handbook can be found online. The first step I must take is to decide whether we have jurisdiction to consider the complaint (DISP 2), and as part of that I need to ensure the complainant is an eligible complainant under our rules as we can only consider a complaint from an eligible complainant.
2. If I'm satisfied we have the jurisdiction to consider a complaint I then review the merits of it to reach a decision on whether or not I think the complaint should be upheld. Part XVI of FSMA sets out the details of our scheme, and s.228 deals with how I determine complaints that come under our compulsory jurisdiction. That says a complaint is to be determined by reference to what is, in the opinion of the ombudsman, fair and reasonable in all the circumstances of the case. When considering what's fair and reasonable in all the circumstances, I'm required to take into account relevant law and regulations; regulator's rules, guidance and standards, and codes of practice; and, where appropriate, what I consider to have been good industry practice at the time. That requirement is reflected in DISP 3.6.1 to 3.6.4.
3. If I decide a complaint should be upheld then I need to decide appropriate redress, but I can only make an award of compensation so far as our rules allow me to as per s.229 of FSMA and DISP 3.7.

Step one

This complaint relates to an application made through Trussle by Mr W and Mrs M for a further advance on their residential mortgage that they hold in their joint names. So I'm

satisfied Mr W and Mrs M are eligible complainants in this matter. There's a two-stage test for determining eligibility – the nature of the complainant, and the nature of the complainant's relationship with the respondent. In proposing to borrow money to set up a buy to let company, Mr W and Mrs M were not acting as consumers (since they were not acting wholly outside their trade business or profession). However, they qualify to complain to us as a micro-enterprise. And they were customers of Trussle so have the required relationship with the respondent. Having considered the remainder of our jurisdiction I'm satisfied there are no issues, and so I have the power to consider a complaint brought by Mr W and Mrs M against Trussle in respect of their application for a further advance on their residential mortgage.

Step two

I've reviewed everything that has been said and provided by Mr W and Mrs M, lender B and Trussle, and having done so I'm satisfied it is more likely than not that Trussle didn't notify lender B that the lending proposition had substantially changed.

The application that was submitted to lender B in 2021 was for Mr W and Mrs M to borrow a further £180,000 to purchase a BTL property outright and in their own names; that is, without recourse to any further borrowing and without creating a separate entity to own the property. Whilst lender B agreed to increase that amount to £200,000, and then £220,000 there's nothing to indicate Trussle told lender B, before the March mortgage offer was issued, that:

- The BTL property had changed and now the lender B further advance was no longer fully funding the purchase, and instead it was simply the deposit with a BTL mortgage being taken out for the remainder of the purchase price.
- The BTL property was being purchased by a limited company, rather than Mr W and Mrs M personally.

When it receives a mortgage application, a lender will need to carry out various checks and enquiries, and consider the information it's given, in deciding whether to lend. It's important to note that there's never an obligation to lend, and neither is there an obligation to give reasons for refusing an application.

Had Trussle told lender B of the true lending proposition (that is, the two points I've set out above) I'm satisfied lender B would have declined the application at that stage. Trussle were aware on 25 January that Mr W and Mrs M intended to set up a limited company for the BTL property purchase, and that they were no longer buying the property outright, so I'm satisfied that's the point from which Trussle could have found out from lender B that the lending proposition didn't fit its criteria.

It follows that Trussle should pay compensation for the distress and inconvenience that was caused to Mr W and Mrs M, and for any costs they paid out after 25 January 2022 that they wouldn't have incurred had they been told that lender B wouldn't lend them the money required.

Step three

That leads me to step three that I set out above; deciding appropriate redress so far as our rules allow me to as per s.229 of FSMA and in DISP 3.7.

Trussle offered £750 to Mr W and Mrs M for the inconvenience caused to them due to the delay in finding out lender B was unwilling to proceed. Our Investigator thought that was fair, and also said Trussle should cover any costs incurred by Mr W and Mrs M between 25 January and 4 April 2022.

Mr W and Mrs M said their losses are:

- The potential increase in value of the BTL property.
- The rental income that would have been received.
- The costs from the abortive purchase.

As our Investigator explained, the first two bullet points were only potential losses and, in any event, they would be losses incurred by the limited company rather than Mr W and Mrs M personally. The Investigator said that as this complaint was brought by Mr W and Mrs M personally then we can only make an award in respect of their losses, not the losses of a separate limited company.

Mr W and Mrs M didn't agree, citing case law to support their submissions.

When deciding compensation I'm bound by the limitations of the powers that are granted to me under FSMA and DISP. We're not a court, and I only have the power to award compensation in so far as our rules allow me to. I don't have the power to award compensation in line with case law, if to do so would mean I was acting outside our powers.

S.226 of FSMA sets out the scope of our compulsory jurisdiction. That says:

'226 Compulsory jurisdiction.

- (1) A complaint which relates to an act or omission of a person ("the respondent") in carrying on an activity to which compulsory jurisdiction rules apply is to be dealt with under the ombudsman scheme if the conditions mentioned in subsection (2) are satisfied.*
- (2) The conditions are that—*
 - (a) the complainant is eligible and wishes to have the complaint dealt with under the scheme;*
 - (b) the respondent was an authorised person [or an electronic money issuer within the meaning of the Electronic Money Regulations 2011], or a payment service provider within the meaning of the Payment Services Regulations 2009,] at the time of the act or omission to which the complaint relates; and*
 - (c) the act or omission to which the complaint relates occurred at a time when compulsory jurisdiction rules were in force in relation to the activity in question.*
- (3) "Compulsory jurisdiction rules" means rules—*

- (a) *made by the [FCA] for the purposes of this section; and*
 - (b) *specifying the activities to which they apply.*
- (4) *Only activities which are regulated activities, or which could be made regulated activities by an order under section 22, may be specified.*
- (5) *Activities may be specified by reference to specified categories (however described).*
- (6) *A complainant is eligible, in relation to the compulsory jurisdiction of the ombudsman scheme, if he falls within a class of person specified in the rules as eligible.*
- (7) *The rules—*
- (a) *may include provision for persons other than individuals to be eligible; but*
 - (b) *may not provide for authorised persons to be eligible except in specified circumstances or in relation to complaints of a specified kind.*
- (8) *The jurisdiction of the scheme which results from this section is referred to in this Act as the “compulsory jurisdiction”.*

S.229 of FSMA sets out my powers in respect of making awards, and that says:

‘229 Awards.

- (1) *This section applies only in relation to the compulsory jurisdiction ...*
- (2) *If a complaint which has been dealt with under the scheme is determined in favour of the complainant, the determination may include—*
- (a) *an award against the respondent of such amount as the ombudsman considers fair compensation for loss or damage (of a kind falling within subsection (3)) suffered by the complainant (“a money award”);*
 - (b) *a direction that the respondent take such steps in relation to the complainant as the ombudsman considers just and appropriate (whether or not a court could order those steps to be taken).*
- (3) *A money award may compensate for—*
- (a) *financial loss; or*
 - (b) *any other loss, or any damage, of a specified kind.’*

DISP 2 sets out the jurisdiction of the Financial Ombudsman Service, with DISP 2.7.1 explaining:

‘A complaint may only be dealt with under the Financial Ombudsman Service if it is brought by or on behalf of an eligible complainant.’

‘Eligible complainant’ is defined in DISP 2.7.3 as:

‘An eligible complainant must be a person that is:

- (1) *a consumer; or*

- (2) a micro-enterprise ;
 - (a) in relation to a complaint relating wholly or partly to payment services, either at the time of the conclusion of the payment service contract or at the time the complainant refers the complaint to the respondent; or
 - (b) otherwise, at the time the complainant refers the complaint to the respondent; or
- (3) a charity which has an annual income of less than £6.5 million at the time the complainant refers the complaint to the respondent; or
- (4) a trustee of a trust which has a net asset value of less than £5 million at the time the complainant refers the complaint to the respondent; or
- (5) (in relation to CBTL business) a CBTL consumer; or
- (6) a small business at the time the complainant refers the complaint to the respondent; or a guarantor.

And DISP 2.7.6 goes on to clarify the nature of the relationship, with the relevant parts here being:

‘To be an eligible complainant a person must also have a complaint which arises from matters relevant to one or more of the following relationships with the respondent:

- (1) *the complainant is (or was) a customer, payment service user or electronic money holder of the respondent;*
- (2) *the complainant is (or was) a potential customer, payment service user or electronic money holder of the respondent;’*

DISP 3.7 covers our rules about awards I may make, with DISP 3.7.1 saying:

Where a complaint is determined in favour of the complainant, the Ombudsman's determination may include one or more of the following:

- (1) *a money award against the respondent; or*
- (2) *an interest award against the respondent; or*
- (3) *a costs award against the respondent; or*
- (4) *a direction to the respondent.*

DISP 3.7.2 makes clear that my powers to make a money award are to award what I consider to be fair compensation “whether or not a court would award compensation”.

‘Complaint’ is defined in DISP as:

- (1) *[deleted]*
- (2) *(in DISP, except DISP 1.1 and (in relation to collective portfolio management) in the consumer awareness rules, the complaints handling rules and the complaints record rule, and in CREDS 9 and in SUP 12) any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the*

provision of, or failure to provide, a financial service, claims management service or a redress determination, which:

- (a) alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and*
 - (b) relates to an activity of that respondent, or of any other respondent with whom that respondent has some connection in marketing or providing financial services or products or claims management services, which comes under the jurisdiction of the Financial Ombudsman Service.*
- (3) (in PRIN, DISP 1.1 and (in relation to collective portfolio management) in the consumer awareness rules, the complaints handling rules and the complaints record rule) any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service, claims management service or a redress determination, which alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.*
- (4) (in DISP) reference to a complaint includes:*
- (a) under all jurisdictions, part of a complaint; and*
 - (b) under the Compulsory Jurisdiction, all or part of a relevant complaint, a relevant claims management complaint or a relevant credit-related complaint.*

Putting all these together I can only make an award to an eligible complainant who is (or was) a customer (or potential customer) of the respondent firm. And the award can only be for any loss or damage suffered by the complainant.

Our rules don't give us the power to consider a complaint from a shareholder of a limited company about a firm that provides a financial service to the limited company as the shareholder isn't the financial services firm's customer. The limited company is the firm's customer, but our rules don't extend to allowing a shareholder to complain in their own right (rather than as a representative of the company).

We also can't consider a complaint from a director of a limited company about things that have affected them personally for the same reason.

There were two distinct customers (or potential customers) in this overall attempted transaction (by that I mean Mr W and Mrs M taking out a further advance through Trussle with lender B, to buy a BTL property in the limited company's name):

- Mr W and Mrs M.
- The limited company.

Mr W and Mrs M were Trussle's customers in this attempted transaction as they wanted a further advance on the personal residential mortgage they held with lender B and they applied for that through Trussle.

Whilst the limited company was a customer (or potential customer) of Trussle, that was only in respect of the BTL mortgage Trussle arranged with a different lender. The limited company wasn't a customer (or potential customer) of Trussle in respect of the further advance applied for on Mr W and Mrs M's residential mortgage.

It could be argued that the limited company could complain to Trussle about the transaction, however that would just be about the arrangement of the BTL mortgage and couldn't look at the attempted further advance with Barclays in Mr W and Mrs M's personal names.

We currently can't consider a complaint from the limited company because it's been dissolved. That's because, as I've already explained, under DISP 2.7.1 we can only consider a complaint if it is brought by (or on behalf of) an eligible complainant. Here, the eligible complainant would be the limited company – as opposed to Mr W, Mrs M or any other company director, owner, shareholder or employee – as the complaint arose out of the limited company's dealings with Trussle. So, under our rules, only the limited company could bring the complaint. But as the limited company has been dissolved, it has ceased to exist. And as it no longer exists, it is unable to bring a complaint.

I understand Mr W and Mrs M have said they could restore the limited company so they could claim the potential losses they say have been incurred (that is, the loss of rental income and the potential increase in the property value). That is something they can, of course, look into. However even if they did so we still couldn't consider a complaint from the limited company about this transaction. I'll explain why.

DISP 2.3.1R says *“The Ombudsman can consider a complaint under the Compulsory Jurisdiction if it relates to an act or omission by a firm in carrying on one or more of the following activities...”* It then goes on to list a complete set of activities we're able to consider, and ancillary activities in connection to them.

In relation to this transaction, the limited company's complaint would need to be;

- against a firm lending money secured by a charge on land, or
- about a regulated activity (as defined in the Regulated Activities Order), or
- something to do with consumer-buy-to-let products (“CBTL”).

The event in question doesn't fall under any of the other points of DISP 2.3.1.

The limited company's complaint would be about Trussle, who acted as the broker, in the arrangement of some BTL lending. As the broker, Trussle wasn't lending money to the limited company, so the complaint doesn't fall under the activity of lending money secured by a charge on land.

Under the Regulated Activities Order, we can consider complaints about brokers providing the complaint is about the arrangement of a regulated loan or mortgage. However, BTL lending isn't a regulated activity as detailed in the Regulated Activities Order.

The BTL mortgage here is not a CBTL. A CBTL mortgage is typically used by people who already own or inherit a property and then choose to rent it out and get a mortgage against it. The CBTL definition specifically excludes credit agreements entered into for business purposes. The limited company was looking for financing so it could buy a property with the specific intent of then renting it out to someone else. That's a BTL mortgage, not a CBTL one.

I appreciate in this case lending didn't go ahead. As far as brokers are concerned, we can look at complaints about the attempted arrangement of mortgages or secured loans provided those mortgages or loans would have been regulated agreements. If a loan or mortgage is (or would have been) unregulated, as is the case here, the rules don't allow us to consider a complaint against the broker who arranged - or was trying to arrange - it.

For the reasons I've explained, we wouldn't be able to look at a complaint from the limited company even if it was restored.

I now return to this complaint I have before me, which is a complaint from Mr W and Mrs M about their personal losses they incurred due to Trussle's actions. And, as I've explained, I can't award any losses (or potential losses) incurred by the limited company, nor any losses (or potential losses) that were incurred by Mr W and Mrs M in their capacity of directors or shareholders of that limited company.

I've set that out at length because Mr W and Mrs M have disagreed about the extent of my powers here, and cited caselaw where the courts have made awards in what they consider to be analogous situations. I've set out the law and rules which govern my powers as an alternative to the courts; they are not the same as those of the courts, and I have to act within the powers given to me by the legislation and rules governing our service. DISP 3.7.2 makes clear that the powers of the court are not relevant to my powers to make an award. Even if Mr W and Mrs M are right that a court would award them compensation in this situation, I cannot do so if I do not consider I have the power to do so.

The lost rent and lost profit that would come from owning the property are losses that would be incurred by the limited company, not Mr W and Mrs M. The limited company is not the complainant in this case, and I have no power to make an award in favour of an entity that is not party to a complaint.

The limited company could not bring a complaint against Trussle, either on its own or jointly with Mr W and Mrs M, since the limited company currently is dissolved (so isn't an eligible complainant), and if it was restored, the arranging of a BTL mortgage by a mortgage broker isn't a regulated activity and so is not one we can consider under our jurisdiction.

In any case, even if I had the power to make an award for lost rent or lost capital gain on the rental property I don't think it would be fair to do so. That's because I've already found that the loan application was outside lender B's lending criteria and it would never have agreed to lend.

Applying that to this case, that means that the appropriate measure of compensation is the costs Mr W and Mrs M incurred while mistakenly believing they were able to proceed with a further advance with lender B, despite the fact the property was being bought by a limited company and that separate BTL financing was also required for the purchase. The appropriate measure is not any profit they might have made from a mortgage that would never have been lent. Had Trussle done nothing wrong, Mr W and Mrs M would have been told at the end of January that lender B wasn't willing to lend, and the limited company would not have been able to buy the rental property, so would still not have made any profit from it.

Summary

In summary I'm satisfied:

- Trussle was aware of Mr W and Mrs M's intentions on 25 January 2022 but didn't notify lender B of that until the start of April.
- The true lending proposition didn't meet lender B's lending criteria.
- I agree some compensation is due to Mr W and Mrs M for the distress and inconvenience caused, and also for any costs they incurred due to not being given the correct information by Trussle in January.

- I can only award compensation for any financial loss or distress and inconvenience caused to Mr W and Mrs M personally. I can't make an award of compensation to them for any losses they might have suffered in their capacity of directors or shareholders of the limited company, nor can I make an award to the limited company. So even if Trussle was responsible for the rental business not going ahead and the lost profits that resulted, those losses would be losses of the limited company not Mr W and Mrs M and I would not be able to direct Trussle to compensate them personally for those losses.

Mr W and Mrs M have provided us with proof of the costs they incurred due to not being told in January 2022 that the transaction couldn't go ahead. Those are:

- £265 paid to a solicitor for the searches and other legal work between the end of January and 23 March 2022
- £48 paid to a property investment company for the creation of the limited company.

It could be argued that those were costs incurred by the limited company, rather than Mr W and Mrs M personally. But I'm satisfied that the money was paid out by Mr W and Mrs M personally at a time the limited company hadn't really started to trade and had they been given the correct information in January 2022 then he wouldn't have paid out that money personally.

If Trussle had told Mr W and Mrs M in January 2022 that Barclays wouldn't agree to lend then I don't think Mr W and Mr M would have instructed the property investment company to create the limited company, nor would they have instructed the solicitor to proceed with the conveyancing for the onward purchase. Had those things not happened then I'm satisfied the money to fund those items would have remained in Mr W and Mrs M's personal accounts. For that reason I'm satisfied I can fairly award these as losses incurred by Mr W and Mrs M personally.

Having considered this part very carefully, I'm satisfied Trussle should pay the costs of £313 (plus interest) to Mr W and Mrs M.

That just leaves me to decide a fair level of compensation for the distress and inconvenience caused to Mr W and Mrs M due to Trussle not passing details of the true lending proposition to lender B sooner, and hence the decision to decline was delayed by a couple of months.

Mr W and Mrs M suffered a loss of expectation and were put to some inconvenience by Trussle as they thought this lending proposal had been agreed. We're not the regulator and I've no power to fine or punish a business. Our awards aren't punitive, and all I can do is look at an individual dispute and decide what needs to be done to put it right (if anything).

Trussle made a mistake and whilst Mr W and Mrs M were put to some inconvenience (and given raised expectations) the lending proposition would never have been agreed. Our Investigator felt Trussle's revised offer of £750 compensation was fair and having looked at all the evidence – and keeping in mind the level of award we normally make – I agree and I consider that to be fair and reasonable.

Putting things right

I order Trussle Lab Ltd trading as Trussle to pay the following to Mr W and Mrs M:

- £750 compensation for the trouble they were put to and the loss of expectation,

- £265 to reimburse the cost they paid to the solicitor. That sum was paid by Mrs M on 23 March 2022 so simple annual interest of 8%* should be added to that sum from 23 March 2022 until the date of settlement.
- £48 to reimburse the amount they paid to the property investment company for the creation of the limited company. Mr W paid money to the property investment company on 16 February 2022 to allow those two monthly payments of £24 each to be paid, and so simple annual interest of 8%* should be added to that sum from 16 February 2022 until the date of settlement.

* Trussle may deduct tax on the 8% interest element as required by HMRC. But it should tell Mr W and Mrs M how much it has deducted so that they can reclaim the tax from HMRC if they are entitled to do so.

My final decision

I uphold this complaint and order Trussle Lab Ltd trading as Trussle to pay redress as I've laid out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs M to accept or reject my decision before 5 April 2024.

Julia Meadows
Ombudsman