

The complaint

Miss T complains about how Mortgage Agency Services Number Six Limited (MAS6) has administered her mortgage held with it. She says that field agents were instructed to visit her property without sufficient notice and that MAS6 hasn't complied with her preferred contact method.

What happened

In September 2005 Miss T took out a mortgage with Kensington Mortgage Company Limited (the original lender). Miss T borrowed around £225,500 on interest only terms over 25 years. In November 2005 Miss T's mortgage was transferred to MAS6.

Sadly, over the years, Miss T experienced some difficulties in her personal life, including poor health, which impacted her finances and her ability to maintain her mortgage payments. As such, arrears started to accrue on her account.

In early 2023 Miss T's mortgage account was almost £13,000 in arrears. In June 2023, due to what MAS6 has described as lack of contact from Miss T, it instructed field agents to visit her property. The main purpose of the visit was so that a face-to-face meeting could take place to obtain information from Miss T about her circumstances and plans to repay the arrears on the account.

Miss T found out about the planned field agent visit during an unrelated call with MAS6. She complained that the field agents had been instructed without any warning. She also complained that MAS6 hadn't complied with her communication preference. She said that she's asked for no calls during her period of ill health. But MAS6 continued to call her during this difficult time.

MAS6 answered the complaint and upheld it in part. It apologised for not giving Miss T prior notice of the field agent visit. MAS6 said that reason Miss T wasn't sent a letter beforehand was because this was a free of charge service on this occasion – so it didn't need to write to her to inform her of a fee in advance. While the field agent visit was cancelled upon Miss T's request, MAS6 offered £50 compensation for the distress and inconvenience caused. MAS6 went on to explain why it thought it had taken reasonable measures to contact Miss T to discuss the arrears on her account.

Unhappy with MAS6's response, Miss T brought her complaint to our service. An investigator looked into things and explained why she thought MAS6 had done enough to settle this complaint. She didn't recommend that MAS6 needed to do anything further to put things right in the circumstances.

Miss T remained unhappy and asked for her case to be decided by an ombudsman.

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.

I'll address each of Miss T's concerns in turn.

The appointment of field agents

The starting point here is that when Miss T borrowed money from MAS6, she agreed to maintain her contractual monthly payments. So, it's not unreasonable for MAS6 to expect the loan to be repaid as agreed.

Unfortunately, over the years Miss T faced some difficulties in her personal life and with her health. As a result of these circumstances, she experienced financial difficulty and was unable to make her mortgage payments. I'm very sorry to hear about Miss T's situation and everything she's been through. I do truly empathise with her circumstances.

In such circumstances, where a consumer is experiencing financial difficulty, the lender is expected to treat the consumer fairly and provide suitable support where possible. The lender should take steps to find out about the consumer's circumstances – this helps the lender agree a suitable and affordable plan to help get the mortgage back on track.

In order for the business to provide this level of support, the consumer needs to engage openly and honestly with the lender. More specifically, the consumer needs to engage meaningfully with the lender about their circumstances, what's possible for them, and supply any reasonable evidence to confirm their finances.

In July 2022 MAS6 agreed to a payment plan for six months. In January 2023 it wrote to Miss T to remind her of the expiry of the plan. By this time Mrs T's mortgage account was almost £13,000 in arrears. MAS6 asked Miss T to make contact to provide an update on her circumstances so a further plan could be agreed if needed. MAS6 also notified Miss T of intended legal action to recover the outstanding debt.

Miss T made some contact with MAS6 – largely to raise complaints about the service she'd received. But no updated income and expenditure information was given to allow MAS6 to agree a suitable plan to repay the arrears moving forward.

In June 2023 MAS6 decided to instruct field agents to visit Miss T to carry out a face-to-face meeting. I can understand Miss T's surprise when she heard by chance during an unrelated call with MAS6 that field agents had been instructed – without any prior notice. MAS6 has explained that the reason Miss T wasn't notified of the visit ahead of time by letter was because MAS6 wasn't charging her for the visit and so it wasn't necessary to inform her in advance of the fee chargeable. That said, it appears that MAS6 accepts that it should have still given her prior warning to help her to prepare for the visit. To put things right, MAS6 cancelled the visit and in response to Miss T's complaint, offered her £50 compensation for the distress and inconvenience caused.

I don't think it was unreasonable for MAS6 to instruct field agents due to the lack of meaningful engagement from Miss T for more than six months since her last plan had ended. That said MAS6 has acknowledged that it could have given her better notice. I think £50 fairly compensates Miss T in the circumstances. I say this because the visit was cancelled and didn't go ahead so she suffered no further distress and inconvenience that justifies an increased award.

MAS6's method of communication

Miss T explained to MAS6 why, due to her health and personal circumstances, she

preferred written communication. I can see that MAS6 took this on board. I can't see many outbound calls made to Miss T during 2023 – leading up to her complaint being made. MAS6 says that it called her once in April 2023 to chase a response to its request for a completed income and expenditure form.

I can largely see inbound calls from Miss T. I understand she says that she made those calls in response to the letters she received from MAS6.

I don't think MAS6 made excessive contact with Miss T. It is required, through regulation, to keep Miss T updated about her account and in these circumstances where the account is in arrears – that does tend to mean more regular communication and updates from the lender.

That said I must manage Miss T's expectations and let her know that while MAS6 should acknowledge her preferred contact method, there may be circumstances where it is necessary to call her instead of communicating in writing.

For example, as I explained above, MAS6 has obligations it needs to fulfil when managing arrears and financial difficulties on a mortgage account. This includes having a conversation with the customer to understand their circumstances, so it knows how to best support them to help get the mortgage back on track. The types of questions it needs to ask to assess financial difficulty and the financial assessment it needs to carry out – may be hard to do in writing. So, if a call is necessary, it won't always follow that the business has acted unfairly or unreasonably in the circumstances by trying to reach the customer by phone.

My final decision

Mortgage Agency Services Number Six Limited has already issued Miss T a cheque for £50 to settle the complaint and I think this offer is fair in all the circumstances. It's unclear whether the cheque has been cashed and the compensation paid to Miss T.

So my decision is that Mortgage Agency Services Number Six Limited has done enough to settle this complaint. If the cheque needs reissuing for any reason, then the parties should engage amongst themselves to arrange that.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 10 April 2024.

Arazu Eid
Ombudsman