

The complaint

Mr G and Mr M have complained that, because of delay and poor service provided by First Complete Ltd in relation to their mortgage application, they were unable to complete their purchase before the end of the Stamp Duty holiday on 30 June 2021. They are asking First Complete to compensate them for the Stamp Duty of £6,000 they were required to pay.

Mr G has dealt with the complaint throughout on behalf of himself and Mr M.

What happened

I will summarise the complaint in less detail than it's been presented. There are several reasons for this. First of all, the history of the matter is set out in detail in correspondence, and in the investigator's letter dated 28 March 2022, in which a detailed timeline is given. All parties have a copy of that letter, so there is no need for me to repeat the details here. I will instead concentrate on giving the reasons for my decision. In addition, our decisions are published, so it's important I don't include any information that might lead to Mr G and Mr M being identified. So for these reasons, I will keep my summary of what happened quite brief.

Briefly, in the spring of 2021 Mr G and Mr M decided to buy a property, on a shared ownership basis in a new development. The developer directed them to a representative of First Complete to arrange the mortgage.

An application was made to a lender (LBS), but this was declined. Another lender was sourced (RB) and an application was made to that lender, which was successful and a mortgage offer was issued on 22 July 2021. However, the Stamp Duty holiday granted by the government had expired on 30 June 2021, as a result of which Mr G and Mr M had to pay Stamp Duty on their purchase.

They complained to First Complete, saying that its poor service and delays were the cause of them missing the deadline for the Stamp Duty holiday. First Complete didn't uphold the complaint. In its final response letter, First Complete set out the timeline and explained the delays were as a result of information requested by the two lenders approached, which was information those lenders reasonably required. First Complete noted that a refund of the broker fee of £100 had been offered as a gesture of goodwill, which First Complete said was still available.

Dissatisfied with this response, Mr G and Mr M raised their complete with our service. An investigator looked at what had happened. She wasn't persuaded that the length of time taken for the mortgage offer to be issued was as a result of any error on the part of First Complete, other than a short delay which didn't impact the overall timeline, and a request for information that had already been provided. She asked First Complete to pay a further £100 for this, bringing the total compensation to £200.

Neither First Complete nor Mr G and Mr M agreed with this. First Complete said it didn't think it had done anything wrong to justify an enhanced award of compensation. Mr G said he felt it was absurd that First Complete was even given the opportunity to disagree with the investigator. He said that it made his blood boil to think of the disregard First Complete held for customers, procedures, policies and the Financial Ombudsman Service. Mr G was adamant that First Complete had not provided a full record of what had happened and so we had not been able to review the full facts of the case.

Following this the investigator asked First Complete for its call logs. On reviewing these, Mr G said there had been many more calls, but wasn't able to provide records of these. As a result, the investigator wasn't minded to change her view and so the matter has been referred to me for a decision.

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.

As I said at the outset, I won't set out all the details of what's happened. I have, however, reviewed the timeline of events, and taken careful note of everything the parties have said.

I note Mr G and Mr M had a decision in principle they'd been given by another lender. However, rather than applying to that lender, they decided to proceed with a mortgage application through First Complete. They were, however, free at any time to apply to the other lender if they had chosen to do so.

Other than the issues identified by the investigator, I'm not persuaded that the length of time taken for the mortgage offer to be issued was unduly protracted as a result of anything First Complete did, or didn't do. This was largely down to the developers and/or the mortgage lenders. I've looked at what was requested by both LBS and RB, and this is information that lenders are legitimately entitled to request in order to assess and underwrite the applications.

Lenders are entitled to set their own criteria, and conduct their own risk assessments in relation to mortgage applications. So although I appreciate it was frustrating for Mr G and Mr M that LBS declined the first application, I'm not persuaded this was the fault of First Complete. RB was also entitled to conduct its own underwriting and request any information it thought appropriate in order to assess the application.

I appreciate this isn't the outcome Mr G and Mr M were hoping for. I don't underestimate how strongly Mr G has expressed his unhappiness about First Complete. But after considering the timeline of events, I'm unable to find that missing the Stamp Duty holiday was the fault of First Complete.

Putting things right

I agree that Mr G and Mr M were asked for repeat information, and that there was a short period when they weren't updated about progress of the application. I note that the broker fee of £100 was refunded. The investigator thought First Complete should pay a further £100 compensation for customer service failings. I think this is fair and reasonable in all the circumstances, and is proportionate to the errors and delays identified.

My final decision

My final decision is that I partly uphold this complaint. In full and final settlement, I direct First Complete Ltd to pay Mr G and Mr M compensation of £100 (in addition to the £100 already offered, making a total of £200). I make no other order or award.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mr M to accept or reject my decision before 11 August 2022.

Jan O'Leary
Ombudsman