

## **The complaint**

Mr and Mrs P complained that the broker who arranged their remortgage, Your Mortgage People Limited ("YMPL") wanted them to pay a large fee once the mortgage was set up. But Mr and Mrs P said YMPL had told them there wouldn't be large fees to pay.

## **What happened**

Mr and Mrs P arranged their remortgage through YMPL. They said that it had promised they wouldn't have to pay any large fees when this was set up. It had told them that a broker fee of £695, which it charges, would be added to their mortgage so they didn't have to find this money now.

But Mr and Mrs P said then, once the mortgage was set up, YMPL started asking for this money, and it was still chasing them now.

YMPL said that it had always been clear that this fee of £695 would be payable once the mortgage was completed. It wanted Mr and Mrs P to pay, although it put recovery action on hold until our service reached a view on this.

Our investigator didn't think this complaint should be upheld. He said YMPL had always been clear that there was a fee, and it wouldn't be fair to ask it to waive that cost. But he said that YMPL shouldn't charge more than the fee of £695 now.

Mr and Mrs P repeated that YMPL had promised they wouldn't have a big bill once the mortgage was set up. They wanted this case to be considered by an ombudsman, so it was passed to me for a final 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.

I've reached the same overall conclusion on this complaint as our investigator.

YMPL told Mr and Mrs P that this fee could be added to their mortgage. So they wouldn't just borrow the money for their home, they'd also borrow a small amount more, £695, to pay YMPL's broker fee.

I've checked the mortgage documentation, and that is what YMPL has done.

But YMPL didn't get this money straight from the lender. Instead, it emailed Mr and Mrs P to tell them that once they had completed their mortgage, they would be getting a cheque from their solicitors. That cheque would include the £695 that they owed to YMPL.

YMPL has checked with the couple's solicitor. The solicitor confirms that a cheque for £1,446.05 was sent to them on 26 June 2021. That included surplus money from completion, but it also included the £695 that Mr and Mrs P had borrowed to pay YMPL.

I think it may not have been entirely clear to Mr and Mrs P, from the initial documents, how this would work. But I do think the emails that YMPL sent Mr and Mrs P did explain that they'd be getting a cheque, and part of that was to cover the broker fees. So I don't think that YMPL did anything wrong when it then asked Mr and Mrs P to pay this money.

Mr and Mrs P said that YMPL was now asking them to pay more than this – the amount it was asking for had gone up to £743. It does appear to me that Mr and Mrs P have been confused about the payment at some points, so I don't think it would be fair if YMPL were to charge interest or additional fees, on top of the £695, in respect of time that Mr and Mrs P have spent making and pursuing this complaint. But I don't think it's wrong for YMPL to ask Mr and Mrs P to pay this now.

I know that Mr and Mrs P will be disappointed, but I don't think YMPL has to do more than that.

### **My final decision**

My final decision is that Your Mortgage People Limited should not charge Mr and Mrs P any fees or interest on the outstanding brokerage fee of £695, for any period up to the date of my decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 14 July 2022.

Esther Absalom-Gough  
**Ombudsman**