

The complaint

Ms A and Ms C complain that Trussle Lab Ltd trading as Trussle delayed processing their mortgage application causing them to miss out on a preferential rate.

What happened

Ms A and Ms C spoke to a mortgage adviser at Trussle on 6 May 2022 and agreed which mortgage to apply for. They discussed their concern that interest rates were going up and sent in their supporting documents that day.

On 10 May 2022 Trussle informed Ms A and Ms C that they were missing a copy of one of their bank statements to show proof of income. Ms A provided this around half an hour later.

That same day the lender Ms A and Ms C planned to apply to informed Trussle at 15:00 that it was going to withdraw the mortgage product with the rate that Ms A and Ms C had intended to apply for, and that any applications needed to be submitted by 17:00 that day.

When Ms A and Ms C requested an update from their mortgage adviser the next day they were initially told that she would prepare the application for submission and that a different mortgage adviser would be taking over. But later that day Ms A and Ms C's new mortgage adviser introduced himself and explained the mortgage product was no longer available. A new mortgage product was recommended with a different lender. This mortgage application was submitted on 13 May 2022 and a mortgage offer was issued on 19 May 2022.

Unfortunately, this mortgage product had a higher interest rate than the one they had initially intended on applying for.

Ms A and Ms C complained that Trussle ought to have identified sooner that it didn't have all the necessary documentation from them. They think if Trussle had acted as quickly as it said it would then they would have been able to apply for the initial mortgage recommended.

Trussle didn't uphold their complaint - it said it did act quickly and that the lender's decision to remove the mortgage product was out of its control.

When Ms A and Ms C brought their complaint to our service the investigator didn't uphold the complaint. They thought that whilst Trussle could have been clearer about some of its internal timescales, it hadn't caused any unreasonable delay to the application. They thought the initial mortgage advisor could have said that the rate wasn't available any longer when they contacted Ms A and Ms C on 11 May 2022 but that this was clarified by the second adviser later that day.

Ms A and Ms C didn't agree with these findings. They provided screenshots of the timescales on Trussle's website and said they should've heard back about the missing documentation by 8 May 2022. Ms A and Ms C added that Trussle should've told them about the 17:00 applications deadline on the mortgage product they intended to apply for (on 10 May 2022), so they could apply directly before the deadline if Trussle wasn't able to apply in time on their behalf.

The complaint was passed to me for consideration by an ombudsman. I issued my provisional decision on 14 November 2022. Here I explained I intended to uphold this complaint in part because whilst I agreed Trussle progressed Ms A and Ms C's mortgage application within a reasonable timescale, I thought there was a loss of expectation due to the inaccurate information it gave them.

Trussle accepted my provisional decision, but Ms A and Ms C didn't respond by the deadline set.

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.

No new information has been provided in response to my provisional decision and so my findings remain the same.

In terms of the progression of Ms A and Ms C's initially intended mortgage application, Trussle informed them that it was missing a copy of Ms A's bank statements showing proof of income within four days of the initial submission – and within two working days. Trussle has explained this is within its internal expectations as anything received after 15:00 is treated as being received on the next working day – here Monday 9 May 2022 giving it 48 hours from then to take the next step, which it did.

Ms A and Ms C have provided a screenshot showing Trussle's website says *"our working hours are 9am to 8pm on weekdays and 10am to 4pm on weekends"*. And that once documents have been submitted it will take *"24 hours on average but can take up to 2 days depending on your situation"* to contact them if they need any extra information. I agree that this suggests Trussle will progress their application more quickly than it did.

However, I don't think this means that Trussle ought necessarily to have been able to submit the application by 17:00 on 10 May 2022. This is because:

- It's not unreasonable for Trussle to have reduced services operating on weekends or to have cut-off times.
- Ms A and Ms C contributed to the delay in Trussle being able to submit their application by providing the wrong bank statements.
- The lender introduced the deadline at short notice and the timescales in the circumstances are very tight. So, there's no guarantee that Trussle would've been able to submit the application on 10 May 2022 even if it had contacted Ms A and Ms C sooner for the additional information.

Whilst it would have been helpful for Trussle to have taken steps to prioritise impacted customers or speed up its processes when it became aware of the lender's plans to withdraw the mortgage product in order to meet the deadline, in all the circumstances I don't think it would be fair to say it failed in its obligations by not doing so.

Similarly, there was no requirement to inform Ms A and Ms C about the information it received from the lender on the same day it received this notice. The mortgage market was changing very quickly at the time, with multiple lenders withdrawing interest rate products at very short notice. Here, there was only a two-hour window between Trussle being informed of the withdrawal of the product Ms A and Ms C wanted and the deadline for completed applications – and it was during that window that Trussle received the final documents it

needed from Ms A and Ms C.

But I do think it was misleading for Ms A and Ms C's initial mortgage adviser to tell them on 11 May 2022 that they would prepare their application for submission when they were already aware (or ought to have been) that the mortgage product was no longer available. I think this error and Trussle's advertised timescales led to a loss of expectation for Ms A and Ms C, and I accept it would have been stressful and upsetting to learn they would need to apply for a mortgage at a higher rate than expected.

Putting things right

I think Trussle should pay Ms A and Ms C a total of £150 compensation to recognise the trouble and upset caused.

My final decision

My final decision is that Trussle Lab Ltd pay Ms A and Ms C a total of £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A and Ms C to accept or reject my decision before 11 January 2023.

Stephanie Mitchell
Ombudsman