

The complaint

Ms M complains that the advisor who was managing her mortgage application through First Complete Ltd trading as PRIMIS Mortgage Network ("First Complete") failed to respond to her requests for contact for some time, so she missed out on a lower interest rate.

What happened

Ms M told us she made a mortgage application in 2021 with the support of a mortgage advisor who works under the umbrella of First Complete. Her offer was expiring in early 2022, so she sought help from First Complete to secure a new one. But she told us that the advisor delayed in contacting her, so that Ms M ended up missing out on the fixed interest rate deal she wanted.

Ms M said she'd complained to First Complete, but all First Complete said was that she'd submitted her documents too late. She sent in the documents needed for her application just after 6pm, on 16 February 2022. But the lender she'd applied to had stopped offering the deal she'd applied for, at 5pm on the very same day.

Ms M didn't think this was fair, because she'd been trying to contact her advisor since 8 February. The advisor wasn't responding, and Ms M said if this advisor had spent just five minutes with her on the phone to deal with her one outstanding concern, then her application would have been in earlier, before the deal she wanted was pulled. Ms M said the advisor hadn't responded to her emails, messages or calls for nine days.

Ms M didn't know her application hadn't been successful at the time. She asked for updates on her application after 16 February. (Her advisor has said she was out of the office unwell from 17 to 21 February, although she did respond to a message from Ms M on 17 February, and didn't indicate she was unavailable then.) Ms M said that it wasn't until 1 March that she was told her application hadn't been submitted. She said she was told then that her advisor thought she was still waiting for some documents.

Ms M said the advisor then told her that the available mortgage rate for her had gone up from 1.46% fixed over five years, to 1.71%. Ms M said she felt she had no alternative but to make this application. However, she also complained to First Complete. She wanted it to meet the additional mortgage costs she would face over the next five years. Ms M's mortgage payments, at the lower rate, would have been £737.83 per month. But she would now have to pay £766.20 per month. Ms M said that over a five year mortgage term this would cost her a little over £1,700 more.

First Complete said it was clear that there was a delay in the advisor returning Ms M's calls, but it said lenders can and do pull rates anytime they wish to, and they generally do this without telling advisors that the deal will finish that day. It said Ms M's documents, required for her application, were only supplied after the deal she wanted had been pulled, so Ms M was too late to apply in any event. It wouldn't pay the additional costs Ms M was facing now.

Our investigator thought this complaint should be upheld. He said that Ms M was rearranging a mortgage, having initially secured an offer in September 2021 which would expire before she could complete her purchase. Ms M spoke to her advisor on 7 February 2022, and her advisor recommended a mortgage on a rate of 1.46% fixed for five years. Ms M wanted to speak to her solicitor before going ahead, to check if changing lenders would affect her Help to Buy ("HTB") application. The advisor sent Ms M a mortgage illustration following the call and asked her to upload documents to finalise this mortgage application.

Our investigator said that Ms M did seem to have spoken to her solicitor right away, but her solicitor wasn't able to reassure her, so Ms M wanted to speak to the advisor again. She tried to do so repeatedly.

Our investigator said Ms M had evidenced her attempts to contact the advisor. On 8 February she messaged the advisor, asking her to call. And she called the advisor on 8, 11 and 15 February 2022. Ms M sent a further message on 15 February 2022 and an email on 16 February 2022. But Ms M's calls were unanswered, and the advisor didn't call her back until 16 February 2022. The advisor then sought more information for Ms M, and was able to provide her with the additional reassurance she wanted the same day.

Ms M sent in the extra documents needed to finalise her application that evening. But we know that this lender had withdrawn its offer of a five year fixed interest rate of 1.46% at the end of that working day.

Ms M later secured an offer with the same lender, fixed for five years at 1.71%.

Our investigator thought the call between Ms M and the advisor could have happened earlier and Ms M would have been able to submit the required documents to complete the application with her preferred lender before the 1.46% rate was withdrawn. Given Ms M's eagerness to have a call so she could progress the application, our investigator thought it was reasonable to conclude that she would have submitted the documents in time once she had the reassurance she was looking for. So he thought it was fair and reasonable for First Complete to pay Ms M the difference between what her payments would have been on the 1.46% rate and what she'll pay on the 1.71% rate, over the five year fixed rate period.

Our investigator also said that, because there's some benefit to Ms M receiving this payment in advance of needing to meet these additional costs, he didn't think First Complete had to pay any further compensation for the poor service experience she has had.

Ms M accepted this view, but First Complete did not. It wrote back at length. It wanted to set out that the advisor hadn't been able to return Ms M's calls earlier because of her workload, there was no malice involved. It said Ms M knew she hadn't sent all the documents needed to complete her application before 16 February. And it stressed that these documents were only finally uploaded after Ms M's preferred lender had withdrawn the offer she wanted.

First Complete queried when Ms M had been able to talk to her solicitor about her HTB loan, as it didn't know if she had done this before she tried to contact the advisor again (and so, presumably, First Complete didn't know if she would have been able to go ahead with her application then).

First Complete said Ms M could have asked the HTB advisor for advice, but didn't seem to have done that. When she asked the mortgage advisor for reassurance, she had to go away and find the answer to the question – she wasn't as well placed as the HTB advisor to help Ms M. Alternatively, First Complete said Ms M could have asked her questions in one of the

messages she sent to the advisor. And First Complete said that even on 16 February, Ms M hadn't decided before the call whether to go ahead with this particular lender.

First Complete thought the actions of Ms M contributed to the fact the application was not submitted until 16 February, and the documents uploaded too late. It said there were other avenues available to her to be able to find out the information she required in regard to the change of lender and the HTB product, not just its mortgage advisor. And it wanted us to bear in mind that no one knew the rate was going to be pulled.

Our investigator didn't change his mind. He said Ms M told us she had spoken to her solicitor on 7 February, that's why she then wanted to speak to the advisor. Our investigator thought that was reasonable. He said the advisor had told Ms M she would call back, but didn't. So it was reasonable for Ms M to continue to try to speak to her, rather than direct her enquiry elsewhere. And our investigator also noted that, although the advisor would have other clients to assist, Ms M's repeated efforts at contacting her did indicate that she felt there was some urgency to this.

As First Complete wanted this case to be considered by an ombudsman, it was then 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.

Like our investigator, I don't think it was unreasonable for Ms M to wish to speak to her advisor once more, before she put in her mortgage application – and I would have said this even if Ms M had been able to obtain the information and reassurance about her HTB application that she wanted elsewhere. I can see that Ms M tried to speak to her advisor a number of times, from 8 to 16 February. I also note that she was told by the advisor that she would receive a call, on both 8 and 15 February.

When Ms M did speak to her advisor, the concerns she had were quickly resolved, and Ms M provided the final documents for her application promptly after that. So I think that if either of the calls the advisor had said she would make to Ms M, on 8 or 15 February, had been made, Ms M's application could have been completed before the deal she wanted was withdrawn.

I have considered First Complete's further representations here, and I'd like to say I don't think there's any suggestion that the advisor acted out of malice, or that she could or should have been aware that the relevant lender was about to withdraw the deal Ms M wanted.

First Complete also said its advisor simply wasn't able to call Ms M, because of her workload. But I also note that this advisor didn't indicate to Ms M that she would need a considerable amount of time before she could turn to Ms M's application. She didn't warn Ms M about any delays. Rather, she twice said she would call shortly.

I've considered all the circumstances of this particular case carefully, and, on balance, I do think that it's fair and reasonable to ask First Complete to pay the additional costs that Ms M will now incur, because she wasn't able to get her application in before the relevant deal was withdrawn. I think that would provide a fair and reasonable outcome to this case. So I'll ask

First Complete to pay the additional amount that Ms M now pays each month, because she wasn't able to secure the lower rate.

Assuming Ms M accepts my final decision, that will mean First Complete should pay Ms M the difference in her monthly mortgage payments between the 1.46% rate and the 1.71% rate for the initial five year fixed rate period of the mortgage she obtained, based on the amount of the mortgage she obtained. Like our investigator, I think there is an advantage to Ms M in receiving this money in advance, in a lump sum, before she actually needs to meet most of those larger monthly payments. So, for that reason, I also think that First Complete doesn't need to pay compensation in addition, in this case.

My final decision

My final decision is that First Complete Ltd trading as PRIMIS Mortgage Network must pay Ms M the difference in her monthly mortgage payments between the 1.46% rate that she failed to secure, and the 1.71% rate she did then secure, for the initial five year fixed rate period of the mortgage she obtained, based on the amount of the mortgage she obtained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 28 February 2023.

Esther Absalom-Gough

Ombudsman