

The complaint

This complaint is about a mortgage Mrs and Mr D took out on the advice and recommendation of Trussle Lab Ltd trading as Better. They're unhappy with the service from Better, which included it cancelling their application altogether for several weeks. A mortgage was eventually organised at short notice, but it was for a longer term than they'd ideally wanted, and completed after their existing mortgage had come off its interest rate deal and reverted to standard variable rate (SVR). Whilst the complaint has been brought by Mrs and Mr D jointly, all of our dealings have been with Mr D on their behalf.

What happened

The broad circumstances of this complaint are known to Mr and Mrs C and Barclays. I'm also aware that the investigator issued a detailed response to the complaint, a copy of which has been sent to all parties, and so I don't need to repeat all the details here. Our decisions are published, and it's important that I don't include any information that might result in Mr and Mrs C being identified.

Instead I'll give a brief summary in my own words, and then focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint.

In addition, Better has acknowledged it made mistakes and has offered compensation. Therefore all I need to decide is whether that is sufficient to put things right or if there is more that needs to be done.

Several months in advance of their existing deal expiring, Mrs and Mr D started the process of finding a new deal in January 2023, using Better. Their preferred mortgage term was seven years, broadly to coincide with them reaching state pension age. Better began the process of searching out lenders and gathering data, and an illustration was provided for a mortgage of £61,000 with to a lender I'll call N. But then everything stalled, with emails from Mrs and Mr D and from their solicitors not being answered.

Mrs and Mr D complained; it became apparent that their application had mistakenly been closed on Better's systems. This, along with the advisor handling their case having left the business, meant the emails from them and their solicitor had been missed and ignored. In May 2023, the application was resurrected as a priority with N, the mortgage provided and the existing mortgage repaid, but only after the existing fixed rate had expired. Also, the mortgage N provided was slightly reduced, at £59,00 rather than £61,000 and over nine years, rather than seven.

Better upheld the complaint. It explained that the reduced amount and longer term of the mortgage reflected N's affordability assessment. To put things right, Better offered to reimburse interest charged by the previous lender on SVR for May 2023 at 7.49% (£380.74) and £750 compensation for the time, trouble and upset its failings had put Mrs and Mr D to.

Our investigator thought this was a fair settlement, and so didn't recommend awarding more. Mrs and Mr D have asked for the case to be reviewed by an ombudsman; aside from

anything else, they feel aggrieved that the compensation isn't high enough. They say the suggested solution for the mortgage term being more than seven years – that they make use of the 20% annual overpayment allowance to reduce the balance more quickly – is a “bodge”, and will require them to pay ongoing attention to the mortgage and work out the right adjustments to how much they pay.

What I've decided – and why

I'll start with some general observations. We're not the regulator of financial businesses, and we don't “police” their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers. In doing that, we don't replicate the work of the courts.

We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service, and the remit those rules give us.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, these are my conclusions, and the reasons for them.

This is not a complaint where I have to decide fault; Better readily admitted the service it provided to Mrs and Mr D fell short of what they should reasonably have received. All I therefore need to decide is whether the settlement proposal it offered when they complained about this was enough. Having considered all the circumstances, I'm satisfied it was. I'll explain why

I'll start with the offer to reimburse extra interest charged by the previous lender because completion was delayed into May 2023, allowing that mortgage to revert to SVR. But for the delays and problems on Better's part, it's reasonable to conclude the offer from N would have been available in time for the existing mortgage to be paid off as soon as its rate product ended. Mrs and Mr D would have gone straight from the outgoing rate with the old lender to the new fixed rate with N. Because of the delay, there was a period during May 2023 when they were being charged SVR by the old lender instead of the new fixed rate by N.

It was quite right that Better should cover the difference between the two, but it actually offered to do more than that. What Better offered is the full amount of interest on the old lender's SVR, rather than the net difference between the two rates. It also offered to cover the interest for the full month of May 2023 even through the mortgage offer from N was issued on 15 May 2023. In making the offer, Better pointed out that there wasn't any seen reason why completion shouldn't be sooner than the end of May, but nonetheless, it was willing to cover the full month. Mrs and Mr D haven't evidenced that completion took place any later than the end of May 2023,

Put all of those points together, and I'm satisfied this element of Better's offer is more generous than it needed to be, and removes any need for me to consider an award of interest on the reimbursed sum to compensate Mrs and Mr D for being denied access to the funds.

That leaves the question of compensation for the time, trouble and upset Mrs and Mr D experienced. Assessing compensation isn't an exact science; everyone's reaction to events

is unique to them. It's clear from their testimony that Mrs and Mr S have found this episode hugely upsetting, and I appreciate that.

I'm also conscious that repaying the mortgage within seven years rather than nine will require some periodic action on Mrs and Mr D's part. Of course that isn't ideal, and in a perfect world, they'd wouldn't have to do that. But Mrs and Mr D have been provided with information which, with some slight adjustments that I'm satisfied are well within their capabilities and are not onerous, should allow them to do so. Taking everything into account, I agree with the investigator that £750 is fair in this case.

I said at the outset that I wouldn't be commenting on every single point, and I haven't. I have, as I said I would, confined myself to those matters that I consider have a material effect on the outcome. I can see how strongly Mrs and Mr D feel. That's a natural, subjective reaction, and entirely understandable.

They have said that I should "come round the counter" so to speak, and step into their shoes. But I have to take a different approach. I'm impartial and I have to look at things objectively. Rather than stand in either parties' shoes, I have to take a step back from the minutiae, be pragmatic, use professional detachment, and focus on the broader picture. That's what I've done.

I will however make a further observation. There's more (and sometimes less) to complaint resolution than simply deciding who's right or who's wrong. Nor is it just about winning the argument or pursuing a perfect solution that might not exist. Sometimes it's about compromising to reach a *fair* conclusion that both parties should be able to accept without recrimination over what has gone before. In my view, my decision provides that here.

My final decision

I uphold this complaint and in full and final settlement order Trussle Lab Ltd trading as Better to:

- pay Mrs and Mr D £380.74 to cover the extra interest charged by their former lender as a result of the delay in completing the new mortgage; and
- pay them £750 compensation.

I make no other order or award. My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs and Mr D to accept or reject my decision before 20 March 2024.

Jeff Parrington
Ombudsman