

The complaint

Miss H and Miss H1 have complained about the level of service they received from an appointed representative of Openwork Limited trading as The Openwork Partnership when they were trying to arrange a mortgage. They've said that the lack of communication, transparency, inaccuracies and length of time it took led to the mortgage application failing and them losing the property they wanted to purchase.

Any reference to Openwork in this decision should be taken to mean the individual broker as appropriate.

What happened

Miss H wanted to purchase a property but she needed assistance from Miss H1 to do so (albeit Miss H1 wouldn't be living in the property as she already owned her own mortgaged home).

Miss H and Miss H1 first approached the broker in October 2021 as Miss H had seen a property she was interested in purchasing that was available at auction. She said the previous broker she had discussed her mortgage options with only went to one lender, and that had been on the basis that it would be a standard joint mortgage in the names of Miss H and Miss H1, which would mean that Miss H1 would also need to be a co-proprietor.

The broker said that the purchase would be best done under a joint borrower sole proprietor basis, with both Miss H and Miss H1 to be named on the mortgage but only Miss H being registered as the owner of the property with the land registry. It said this way Miss H and Miss H1 wouldn't be liable for the additional stamp duty that would be incurred if Miss H1 was named as a co-proprietor of the property as she would be under a standard joint mortgage application. The broker said that there were seven lenders that would lend on that basis, but it would need to speak to each of the lenders individually.

The broker obtained an agreement in principle with a lender I'll refer to as N for a loan amount of £290,000, which was just under 89% loan to value (LTV) and provided an illustration. But after further consideration Miss H decided not to proceed with the property purchase.

Over the next 11 months the broker kept in touch with Miss H to see if she'd found a new property to purchase, until Miss H responded on 16 September 2022 asking the broker to give her a call. A video call was set up for 22 September with the broker, Miss H and Miss H1 present as Miss H found a new property to purchase. According to some information from the estate agent, she'd agreed a purchase price of £408,000 on 5 September 2022. The broker told Miss H and Miss H1 what information was needed to obtain an agreement in principle and once the last information was received on 26 September the request for an agreement in principle was made the same day. The answer came back as a 'refer', which means it needed to be manually reviewed by an underwriter before a decision could be made whether or not to grant an agreement in principle.

Lender N agreed the lending in principle on 28 September, but in the meantime the mini-budget of 23 September had caused market turmoil with lenders temporarily withdrawing from the mortgage market either in full, or in part, or if they continued to lend, only offering much higher interest rate products than had been available. Lender N withdrew its products on 28 September whilst the broker was awaiting Miss H's go ahead to proceed with the full application.

The parties remained in contact over the next few weeks, with lender N not releasing new mortgage products to match Miss H and Miss H1's requirements until November. In the meantime the broker discussed with Miss H and Miss H1 the possibility of trying lender C.

An application was made to lender C on 11 October and the valuation was booked for 19 October and it appears lender C received the report from the surveyor on 25 October. The broker contacted lender C for the results of the valuation and, on 2 November, found out that a specialist report had been requested by the surveyor. Lender C also provided a list of other documentation and information that it required.

On 2 November the broker let Miss H know what information and documentation was required, and on 3 November the broker provided, by email, the name of a company Miss H could instruct to undertake the specialist report. Miss H confirmed she'd instructed the estate agent to obtain the specialist report, and said once that was back she'd provide all the other information and documentation required.

The investigation for the specialist report was carried out and provided to the broker on 15 November. It was provided to lender C so it could be passed to the surveyor, and on 23 November the surveyor told lender C that the contractor who supplied the specialist report wasn't a member of the required association, so it couldn't be accepted. In the meantime Miss H and Miss H1 had provided some of the other information and documentation to the broker who had, in turn, uploaded it onto lender C's system.

On 23 November Miss H reduced her offer for the property to £395,000 and pushed for a formal mortgage offer as the estate agent had said the revised offer would only be put forward to the vendor if a mortgage offer was provided. The broker said an answer was still needed about the specialist report, and some information that was required from Miss H and Miss H1 was still outstanding.

And then on 25 November Miss H said she'd decided not to proceed with the purchase and asked that the application be cancelled. The broker recommended that Miss H and Miss H1 continue, unless they'd lost the property, as they were so far into the process. Miss H confirmed she was absolutely sure she wanted to cancel the application and so the broker notified lender C of that.

It seems from the information we've received from lender C that Miss H then tried to apply to lender C directly, but that application was declined.

On 15 December a new specialist report was undertaken, this time by a contractor that was a member of the required association, and then on 16 December Miss H contacted the broker to say she'd re-evaluated the purchase and had decided to proceed. She asked if it was possible to reopen the previous application and move as quickly as possible.

After some back and forth between Miss H, the broker and lender C it was confirmed the application had been closed for too long and so a new application would be made, albeit some information could be copied across. On 21 December the broker told Miss H that it would need to be a new application, and provided a list of the information that was needed so the application could be submitted. The broker said that the information needed to be

provided by Miss H and Miss H1 that day, or overnight, as the following day was the last day before they closed for the Christmas break.

The new application was submitted to lender C on 21 December, and on 22 December lender C asked for further information. After the Christmas break, on 4 January, the broker asked Miss H for the required information. There was then some back and forth about the solicitor as the one Miss H and Miss H1 had selected wasn't on lender C's panel, and then details of the sister company also weren't showing on the panel. On 13 January the solicitor provided alternative details for the sister company.

On 18 January lender C confirmed it had everything it needed and the application was reviewed. The following day lender C said there was a discrepancy with Miss H's income as the four payslips provided all showed a different basic salary, it also said it was looking to not lend the full amount requested.

After the broker spoke to Miss H and lender C about the discrepancy, lender C said it was willing to lend a maximum of £275,000 on a five-year fixed rate, or a maximum of £210,000 on a two-year fixed rate. The broker left it with Miss H and Miss H1 to decide what they wanted to do. The application was cancelled as Miss H and Miss H1 weren't in a position to proceed at that level of lending.

Unhappy with what had happened Miss H complained to Openwork. It responded to say that whilst it thought the broker had acted in good faith, it would refund the £229 valuation fee and the £126 Miss H and Miss H1 paid for the specialist report. It also offered £400 compensation for the upset and trouble caused.

Whilst awaiting a response from Openwork, Miss H and Miss H1 had referred the complaint to our service.

The complaint was looked at by one of our Investigators who thought Openwork had already offered enough to resolve the complaint. He said he was unable to identify any periods of unexplained delays or errors that affected the applications, and Miss H and Miss H1 had unfortunately applied during a tumultuous period in the mortgage market.

Miss H and Miss H1 didn't accept our Investigator's assessment of the complaint and it was agreed that the matter would be passed to an Ombudsman to decide.

Whilst the case was awaiting allocation to an Ombudsman it was passed to a new Investigator as the first Investigator had changed role.

The new Investigator asked Miss H what she was looking for to resolve the complaint, to see if an agreement could be reached between the parties. Miss H said that the offer of £400 was about £2 a day for the distress she experienced between September 2022 and February 2023. She said she wanted £83,000 in compensation in recognition of the fact the property she wanted to purchase would have increased in value, and she'd lost out on that. When later speaking to our Investigator Miss H said she would accept £2,500 to £5,000 in compensation.

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 recognise that Miss H and Miss H1 feel very strongly about this, and I thank them for the thoroughness of their submissions. Although I've read and considered the whole file I'll keep

my comments to what I think is relevant. If I don't comment on any specific point it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome. This service is impartial between, and independent from, consumers and businesses. So I've focussed on what I consider to be the relevant evidence necessary for me to reach a fair outcome.

It is understandable that Miss H and Miss H1 see error and wrongdoing in the broker's actions because they are so close to the situation. But I have to take a step back and look, impartially, at what happened, keeping in mind what I would normally expect to see. Brokers and lenders have many customers so communications aren't instantaneous, either between themselves or with customers. Some things are done quicker than you would normally expect, but at other times things take longer. This can be more apparent when something happens to disrupt the market which can cause an influx of queries, calls, applications and other communications, or perhaps cause products to be withdrawn with little or no notice, or even lenders to withdraw from the market entirely for a period of time.

With all that in mind I've considered what the parties have said about the complaint, and the timeline of what happened and when (which is based on information received from Miss H and Miss H1, Openwork and lender C).

The period up until the end of September 2022

Miss H first spoke to the broker in October 2021, but nothing was progressed as she decided against purchasing the property she had been interested in. At that time the broker had suggested purchasing on a joint borrower sole proprietor basis, and it provided an agreement in principle for lender N.

The next contact from Miss H seems to be on Friday 16 September 2022 when she sent an email to the broker saying "*Can you kindly give me a call re my last MIP*". I assume by MIP Miss H is referring to the mortgage agreement in principle that was issued in October 2021. The broker booked Miss H and Miss H1 in for a meeting for 3pm on Thursday 22 September. That doesn't seem an unreasonable timeframe from enquiry to meeting as the broker would already have had other meetings in their diary.

Immediately after the meeting the broker emailed Miss H and Miss H1 to say the potential mortgage still appeared to fit lender N's criteria with a 10% deposit. It said it needed details of the property, and the last three months bank statements for both Miss H and Miss H1, and that once those had been received an illustration could be produced. That information, along with the memorandum of sale, was provided.

Unfortunately the following day came the mini-budget, and then the subsequent turmoil in the mortgage market.

There is evidence to show the broker tried to log into lender N's broker system but the log-in wasn't working. I can see from the evidence that lender N emailed to confirm the broker's log-in was reset at around 5.15pm on Friday 23 September, so after normal working hours.

On Monday 26 September the broker started to key it onto lender N's system to obtain an updated agreement in principle and illustration but some further information was needed, which the broker requested from Miss H and Miss H1. Once that was received, the agreement in principle was submitted on the afternoon of 26 September and it came up as referred (with the options being accepted, referred or declined). 'Referred' meant lender N couldn't decide automatically and wanted one of its underwriters to look at the case to see if it was willing to proceed. The email confirming that said that lender N would email the broker with its decision within 2 working days.

Lender N agreed the application in principle on Wednesday 28 September, and a copy of the agreement in principle certificate was emailed to Miss H that day. The broker asked if the offer had been accepted on the property, and if so said they could proceed with the full application.

Miss H queried what the interest rate was, with the broker confirming it was the rate that had already been discussed, as there were no cheaper options for Miss H and Miss H1's specific lending proposition (that is a joint borrower sole proprietor basis with only a 10% deposit). The broker said Miss H needed to let it know as soon as possible as it didn't know how long the rate would be available as the rates available would increase soon. Miss H confirmed she let the broker know that day. Miss H had a further query that afternoon, and the broker arranged a call with her. But then the following day the broker emailed Miss H to let her know lender N had withdrawn the rates the morning before, so it was too late by the time the broker was in a position to submit the application. The broker said there were now no rates available, and it would let Miss H know when new rates were launched.

Having considered everything that happened up until this point I don't think the broker did anything wrong. Miss H and Miss H1 didn't want to proceed in 2021, and there were no notable delays or errors attributable to the broker in September 2022 that would mean I would find the broker did something wrong.

The appointment was booked for four working days after Miss H got back in contact, and the broker tried to key the agreement in principle but was unable to due to its log-in not working. That was reset after close of business the following day (which was a Friday), and the broker then keyed the agreement in principle onto lender N's system on the Monday. Whilst that came up as 'referred' that wasn't the fault of the broker and there was nothing the broker could do until lender N decided whether or not to grant the agreement in principle. That was granted two working days later, but unfortunately lender N withdrew all its products that same morning before Miss H had given her agreement to proceed.

Having considered everything very carefully I don't uphold this part of the complaint.

October and November 2022

Over the next few weeks the broker kept an eye on the market, checking whether lender N had re-entered the market for joint borrower sole proprietor applications, and also looking at which other lender might consider Miss H and Miss H1's lending proposition.

On 11 October Miss H said that if nothing happened by midday that day then she wanted to stop using the broker's services and would instead make alternative arrangements. The broker explained that lender N hadn't yet re-entered the market, and whilst it could look at other lenders it would be a matter of starting again, and there was no guarantee another lender would approve the lending as it was tight on affordability. It said lender N was the most flexible. However, it was willing to take whatever instructions Miss H gave, so asked she let it know how she wanted to proceed. The broker said the options were to wait for lender N to re-enter the market, or to try another lender. Miss H asked that the broker try another lender as she was worried about losing the property due to the lack of progress with obtaining a mortgage.

That day the broker keyed an application with lender C so a valuation could be undertaken. Lender C offered a first free basic valuation with the product that had been selected, so that could be done at no cost or risk to Miss H and Miss H1. That doesn't seem an inappropriate thing for the broker to have done bearing in mind Miss H was wanting an application to proceed, and the estate agent was looking for progress to be made. Normally, once a valuation is booked in, an estate agent is fairly satisfied that a mortgage application is

progressing, and as there was no cost to Miss H and Miss H1 for that (due to the product selected offering a free valuation) it seemed a prudent step for the broker to take.

The valuation was carried out on 19 October, and it seems from lender C's records that it received the report on 25 October. The broker didn't follow that up with lender C until Friday 28 October, and then on Wednesday 2 November lender C notified the broker of the need for a specialist report, as well as providing a list of documentation that it required from Miss H and Miss H1.

In the meantime, in the period running up to 2 November, there had been emails back and forth between Miss H and Miss H1 and the broker, and the broker and lender N. Whilst lender N had released some new rates, it didn't re-enter the joint borrower sole proprietor market until around 26 October and then only for lending up to 80% LTV, so lower than Miss H and Miss H1's requirement of a 90% LTV. The broker again recommended that Miss H and Miss H1 waited for things to settle, with rates hopefully then falling and lending criteria widening. He said lender N was a better proposition as a longer term was available, reducing the monthly payment and making it more affordable. Miss H said that she was worried how much more time she could get from the seller, with the broker saying she might have to walk away until things settle.

On 2 November Miss H said she wanted to move forward with lender C, and so the broker provided her with a list of the information the lender had asked for and recommended a firm to undertake the specialist report needed for the surveyor. Miss H said she'd instructed the estate agent to get the report, and said that once that was back she and Miss H1 would provide the other information that had been asked for. Miss H then asked about the rate and the term, and once the broker provided that information she said that it wouldn't be affordable and questioned why the broker had gone ahead without speaking to her first. The broker responded to say that they'd had that discussion and agreed they were going to wait for lender N, but then Miss H asked for the valuation to be carried out and said she was going to proceed with lender C. He suggested getting the specialist report done, and then seeing if lender N's criteria had changed so it could offer a longer mortgage term.

On 10 November Miss H said she wasn't going to walk away from the purchase as she'd been looking for two years but was looking at renegotiating the price. She asked the broker to look at both lender N and lender C. The broker said that the specialist report was needed to move forward with lender C (along with the other documents that had been requested), and that as it stood lender N still wouldn't lend up to the 90% LTV that Miss H and Miss H1 required. The broker said lender N would look to lend up to 80% LTV and said he could discuss that with the lender later that week if Miss H could raise, and evidence, a larger deposit. After some further back and forth the broker said the options were to pull out and find a cheaper property (which Miss H said she didn't want to do), hope rates dropped before the mortgage completed or put down a larger deposit (which Miss H said was possible, as she could get a gift from her family).

The inspection of the property for the specialist report was carried out on 14 November, with the report provided the following day to the broker. The inspection had been carried out by a different firm to that recommended by the broker, albeit the firm had a similar name. The broker uploaded the report for lender C, and it then passed it onto the surveyor. It appears that the surveyor, on 23 November, told lender C that the specialist report wasn't acceptable as the firm that had provided it wasn't a member of the required association, but it isn't clear from the notes provided by lender C and the broker whether the broker was notified of that before Miss H and Miss H1 said, on 25 November, that they wanted to cancel the application as they weren't proceeding with the purchase. The broker checked if they were sure about the decision as they'd got so far in the process, but they confirmed that was their decision and so the broker cancelled the application with lender C.

In the meantime, Miss H and Miss H1 had provided some of the information that lender C had asked for, and the broker had said that lender C had reduced its rates bringing the monthly payment to under £2,000 which was Miss H's aim. There were some issues with Miss H and Miss H1's chosen solicitor as they weren't on lender C's panel, so the solicitor said it had a sister company that could be used who were on the panel, and they provided the details of that other company. Miss H had also spoken to the estate agent and reduced her offer to £395,000 (from £408,000). Lender N was also discussed again, but it didn't offer a two-year fixed rate which is what Miss H was interested in. The broker provided illustrations for lender C based on the reduced purchase price, a higher deposit (taking the lending to 80% LTV) and the reduced interest rates. There was some further back and forth about the maximum deposit Miss H could raise and the difference in payments based on different deposit amounts, with the broker explaining Miss H couldn't keep changing things and the higher the LTV and loan amount the less chance there was of the mortgage being approved. There were also some discussions about Miss H's income and her overtime.

Having considered this time period I can see the broker made some mistakes here, such as referring to the application as one where Miss H1 would be the sole proprietor rather than Miss H and the discrepancies with Miss H's declared income.

Whilst I acknowledge how frustrating it is when a business makes a mistake, mistakes do happen. When we're looking at complaints of this type we consider the appropriate remedy is to place the consumer in the position they would be in if the correct information had been given. The broker corrected the misinformation and apologised to Miss H and so I think that was enough here. It is unfortunate that Miss H and Miss H1 chose to withdraw their application at this time as, had it continued, they would have got an answer a lot sooner than they eventually did. The errors the broker made were relatively minor, with the correct information being provided to the lender, and the broker corrected things in a timely manner once it became aware.

In terms of delays, the only period it seems the broker could have done more was in following up the mortgage valuation report (which was received by the lender on 25 October, but the broker only notified Miss H and Miss H1 of the result on 2 November). But that was only a week's delay. In the remainder of this period the broker was waiting on the lender(s), Miss H and Miss H1, or on third-parties (such as the surveyor and the firm that undertook the specialist report) and I can't see the broker could reasonably have been expected to have done anything more.

December 2022 to February 2023

Although on 25 November Miss H had said she'd decided not to proceed with the purchase, it seems she unsuccessfully tried to apply to lender C directly at the beginning of December.

Miss H then obtained a new specialist report on 15 December, this time from the firm that the broker had recommended at the start of November. And then on 16 December she contacted the broker and said she'd re-evaluated her purchase of the property and decided to proceed. She asked if it was possible to reopen the previous application and said she wanted to move as quickly as possible. The broker explained the previous application had been cancelled as Miss H had instructed, so it was likely they'd have to start from scratch, albeit it said it would speak to lender C to see if the previous application could be reopened. It said that any application was unlikely to be done that side of Christmas as there were only a few working days left (the broker was closed from 23 December until 3 January), and lenders only had skeleton staff over the Christmas period.

The broker contacted lender C to ask if the previous application could be reopened but, unable to wait, Miss H also contacted the lender herself to ask the same question. Miss H1

sent the broker an email saying she and Miss H hadn't had an update and was concerned if the broker was still willing to act. The broker said it had barely been a day since the last email and it was waiting to hear back from lender C's business development manager if any strings could be pulled to save time and the application not having to start from scratch.

The following day lender C's business development manager confirmed there wasn't any leeway and a new application would be required, albeit some of the documents could be transferred across. The broker notified Miss H and Miss H1, and said if they submitted all the documents that day or overnight, then the application could be submitted before the Christmas break. Miss H and Miss H1 sent through various documents, and the broker submitted the application to lender C on 21 December.

On 4 January 2023 lender C provided a list of the information it required, as well as asking some further questions such as where Miss H was living (as her documents had a different address to the application form). It also said it couldn't find the alternative firm of solicitors on its panel either, and that whilst it could carry the valuation over from the previous application a valuation fee would need to be paid as the new product didn't come with a free valuation as part of the benefits package. Miss H and Miss H1 were unhappy about the valuation fee, saying they'd been told by the broker that it would cover the fee previously due to the poor service received. But the broker said it had never said that. Having reviewed all the information provided I've been unable to substantiate the claim that the broker said it would cover the valuation fee due to errors on its part, rather than the fact there was no valuation fee due to the product selected (the video call wasn't recorded). But in any case this point is moot as Openwork, in its response to the complaint, said it would refund the £229 valuation fee and so that resolves this point.

It seems there was some confusion between the lender and the broker at this point, with the lender telling Miss H1 that it had asked the broker for some further information the previous week, but the broker said they hadn't received that request. Having reviewed the contact notes from the lender those indicate a request was sent to the broker on 5 January, but that wasn't acted on until 11 January after Miss H1 had been in touch. That's a delay of four working days.

Whilst it seems Miss H and Miss H1 thought the broker made a mistake about the solicitors, that doesn't seem to be the case. The original solicitor provided the details of its sister firm that it said was on lender C's panel, and that was the information the broker passed onto lender C. It seems that the branch details provided by Miss H and Miss H1's solicitor wasn't on lender C's panel, which is why it came up as an issue. The broker contacted the solicitor directly to obtain the details of another branch, and that resolved the issue with lender C.

On 13 January all the outstanding information was uploaded, with lender C asking for some further evidence on 17 January which was resolved immediately. On 18 January lender C said that the application was under review by the underwriting team, and then the following day the underwriter asked for some clarity about Miss H's income as her four payslips all showed different salary payments. The underwriter also noticed a discrepancy on the December payslip in that figures appeared conflicting.

Miss H said she'd explained she received overtime which was why they varied, and that December was her normal pay, with the broker saying that it wasn't the overtime that was in question, but her basic set monthly pay with it previously being around £2,680 a month, but then in October it was £2,090, November £2,720 and December £1,715. Miss H said her take home pay had always been around £2,360, with it going up in November and stabilising at £2,412. She said she didn't understand where the broker had got the figure of £1,715 for December from. The broker again explained that neither it nor the lender was looking at overtime or take-home pay, just the basic salary (noted as 'salary' on the payslip), and that

had varied as previously set out. It also explained that the December payslip didn't make sense as the £1,715 was entered as Miss H's salary that month, but her take-home pay was more than the gross pay before deductions, which couldn't be right.

Miss H said she would get the December payslip sorted out and asked the broker call her about the rest. The broker spoke to the underwriter to explain about Miss H's pay, which led to the underwriter confirming that if Miss H wanted a two-year fixed rate then the maximum loan amount would be £210,000, and if she went for a five-year fixed rate then the maximum loan amount increased to £275,000.

The broker put those options to Miss H and she asked what rates were available. The broker sent her an illustration, which had an error as it was for a 25-year term rather than a 30-year term. The broker apologised for that mistake and sent the correct illustration. As nothing further was heard in respect of the application it was cancelled.

As I've said above, whilst I acknowledge how frustrating it is when a business makes a mistake, mistakes do happen. Here the mistake was immediately corrected when Miss H notified it, with the broker apologising at the time. As Miss H and Miss H1 didn't proceed with the mortgage, and the mistake was quickly rectified, there's nothing that needs to be put right here.

In summary

In summary I have found:

- In the period up until the end of September 2022 the broker did nothing wrong.
- In October and November 2022 the broker made some mistakes in its communications with Miss H and Miss H1, in the information about Miss H's income and in not following up on the valuation report sooner.
- In the period from December 2022 until February 2023 the broker made some mistakes in not following up the application with the lender which led to an information request being overlooked and in issuing an illustration with a 25-year term rather than a 30-year term.

Whilst the application was ultimately unsuccessful I can't find that was the fault of the broker, or that the broker acted inappropriately in making the application(s). The agreement in principle had been granted, so the broker would have no reason to think the application wouldn't be looked at favourably by the lender. It is unfortunate that the market changed so much, and so quickly, in the time in question, but that was outside of the broker's control.

I acknowledge the application process was spread over a long period (from September 2022 until February 2023), but it doesn't automatically follow that there were delays by the broker or the lengthy time frame was its fault. The only periods I can see where the broker could have done more was:

- 25 October to 2 November – a period of five working days.
- 5 January to 11 January – a period of four working days.

Other than that, the application was progressing with communications back and forth between the parties, or the broker was waiting for third-parties (such as the lender(s), the surveyor and the third-party firm that carried out the first specialist report).

Miss H has said she was later able to obtain a mortgage in eight days through a different broker, however that doesn't mean Openwork did anything wrong. It was a different time, when the market had calmed down somewhat from the turmoil it was in in late 2022 and

early 2023, and I assume a different property. The fact Miss H was able to later obtain a mortgage has no impact on the outcome of this complaint.

There was no benefit to the broker in pursuing an application that was certain to fail as it would only be paid if the mortgage completed, so any failed application could be a lot of work with no income from it. It is unfortunate that the market changed so much over the period in question, but it seems it was those changes in the market rather than the broker using incorrect information to obtain an agreement in principle, that led to the application ultimately being unsuccessful.

To resolve the complaint Openwork offered to refund the £229 valuation fee and the £126 Miss H and Miss H1 paid for the specialist report. It also offered £400 compensation for the upset and trouble caused.

Having considered everything very carefully I'm satisfied that is enough to resolve this complaint and so I don't order Openwork to do anything more than that.

Finally, Miss H and Miss H1 are unhappy with how the complaint was handled. Miss H has said that she had to go through five months' worth of email trails and documents to understand how to complain. But details of how to complain was contained within section 11 of each illustration that the broker issued, with the section entitled '*Complaints*' providing the postal address, email address and fax number for the Openwork complaints team. The information could also be found in the '*Mortgage Proposition Brochure*' on the broker's website, with that also including a phone number for Openwork.

Our rules set out the matters that we can look at as being; regulated activities, payment services, lending money, paying money by plastic card, and ancillary banking services. In addition, we can consider complaints about ancillary activities carried on in connection with the above.

The handling of complaints is not itself a regulated activity. It's something that the regulator - the Financial Conduct Authority - requires financial businesses to do. But that isn't enough to make it a regulated activity within the meaning of the rule; that is, one from the list of activities set out in the legislation from which we derive our powers.

We're able to consider concerns about complaint handling in some limited circumstances, for example, if the complaint handling was ancillary to something we have the power to consider. So we can, in theory, consider how Openwork handled Miss H and Miss H1's complaint.

But there is another thing that we need to consider and that is that we can only make an award for any poor customer service in handling a complaint if we're upholding the underlying issue being complained about (that is, if we think the business needs to do something over and above what it had already offered to do to resolve the complaint). As I'm satisfied Openwork has already offered enough to resolve this complaint, it follows I can't uphold any complaint about how it handled the complaint.

Miss H and Miss H1 don't have to accept my conclusions, and if they don't, then neither they nor Openwork will be bound by my final decision. Subject to any time limits or other restrictions a court might impose, Miss H and Miss H1's have the right to take legal action against Openwork over the subject matter of this complaint won't have been prejudiced by our consideration of it.

My final decision

Openwork Limited trading as The Openwork Partnership has already made an offer to pay £755 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Openwork Limited trading as The Openwork Partnership should pay £755 (if it hasn't already done so, and less any amounts already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H and Miss H1 to accept or reject my decision before 9 September 2024.

Julia Meadows
Ombudsman