

The complaint

Mr M complains about poor service and delays when he took mortgage advice from London and Country Mortgages Ltd. He says he missed out on a lower interest rate product as a result.

What happened

Mr M's interest rate product was due to expire on 30 September 2023. L&C contacted him in April 2023 to ask if he wanted mortgage advice. Mr M says the adviser was unexpectedly absent and failed to contact him when arranged. In late June 2023 Mr M asked for a different adviser, who recommended a product transfer with his lender. Mr M says he'd have secured a lower interest rate if the first adviser had done this in early June 2023.

I sent a provisional decision to the parties explaining why I intended to uphold this complaint. In summary, I didn't think that Mr M had missed out on a lower interest rate product due to errors or delays by L&C. However, its service was poor and it should pay compensation of £100 for this. L&C said it had no comments. Mr M didn't respond.

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.

Mr M's interest rate product was due to expire. An adviser at L&C contacted him in mid-April 2023, asking if he wanted mortgage advice. Both parties have provided an account of what happened between then and late June 2023, when L&C recommended and applied for a product on behalf of Mr M.

Mr M asked that I listen to recordings of his calls with L&C. I don't think this is necessary in order to reach a fair decision. In part, this is because Mr M's complaint isn't about what was said on the calls. It's about the adviser being unavailable. And it's also because there is good written evidence about what happened, in particular copies of emails between Mr M and L&C provided by both parties. I've summarised what I think happened based on this.

I should also explain that where the evidence is incomplete, inconclusive or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Mr M and L&C's adviser exchanged messages in late April and early May 2023. These were aimed at setting up a call to discuss Mr M's requirements.

Mr M says the adviser was "no show" in May 2023. He provided a copy of an email dated 10 May 2023 sent to L&C's enquiries address asking for a different adviser. This email forwarded an email from the adviser sent the previous week offering to book an appointment for a call, and a further email sent by the adviser less than two hours earlier asking Mr M if he still wanted to book a call.

On 10 May 2023 Mr M provided the information and evidence requested by the adviser and they discussed Mr M's situation. The adviser identified a potential problem with re-mortgaging, in that Mr M was self-employed and didn't have two years tax returns. On 22 May 2023 the adviser sent an email saying he'd done some research and, as they'd discussed, it would be difficult to apply to a new lender without two years tax returns. The adviser suggested waiting until early June 2023 so that they could look at rates available from Mr M's existing lender as well as the rest of the market.

Mr M contacted the adviser on 31 May 2023 saying he was free the following day. He said he wanted to look at additional borrowing for debt consolidation. The adviser says he tried to call Mr M: Mr M says he didn't receive a call. The adviser sent an email the same day saying he'd be out of the office until mid-June 2023. He said he could book Mr M in for a call week beginning 19 June 2023. Mr M said 19 June 2023 was fine.

The adviser sent an email on 1 June 2023 saying a call was booked for 2pm on 19 June 2023 and asking Mr M to provide a list of information prior to the call. This included information related to the potential debt consolidation. L&C says it didn't get a response from Mr M to confirm the appointment and he didn't provide the information.

Having carefully read the emails and other comments and information that Mr M provided, I didn't see that he replied to L&C to confirm the appointment on 19 June 2023. But the email didn't ask him to do this. Mr M said he didn't respond to the information request as this was a duplicate of a previous request.

The adviser emailed Mr M on 20 June 2023 to ask if he wanted to proceed and if there was a time on 22 June 2023 that worked. Mr M says he emailed to confirm he was available, but said the adviser didn't call. L&C's records don't have a response from Mr M.

On 24 June 2023 and 27 June 2023 Mr M sent emails to L&C's enquiries address asking for a different adviser. On 27 June 2023 Mr M spoke to a new adviser at L&C, who recommended a product transfer. Mr M raised a complaint about the first adviser being absent.

Did L&C make an error? If so, did this cause Mr M to miss out on a lower interest rate product?

From the emails provided by both parties, it seems Mr M and the adviser had some difficulty in late April 2023 and early May 2023 in arranging a time for a call that suited them both. The adviser was away for a few days in May 2023. While this might have been frustrating, I don't think this caused delays with Mr M taking out a new product. The adviser told Mr M he was unlikely to be able to re-mortgage, due to not having two years tax returns. And he couldn't apply to his existing lender for a product transfer until early June 2023.

Mr M was expecting to speak to the adviser again in early June 2023. He said the adviser was "AWOL" and he was told this on a call with L&C in late June 2023. If so, that was incorrect. L&C said the adviser was on leave. And the adviser told Mr M on 31 May 2023 that he'd be away and could speak to him again week commencing 19 June 2023.

If Mr M didn't want to wait for the adviser to return he could have said so. He could have asked that another adviser contact him during the first adviser's absence. Instead, Mr M said 19 June 2023 was fine. In the circumstances, I don't think I can fairly find that L&C made an error either by failing to tell Mr M the adviser would be away, or in not offering contact with a different adviser.

I think the adviser ought to have called Mr M on 19 June 2023. While Mr M hadn't responded

to confirm the date and time of the appointment, this wasn't requested in the adviser's email. However, the adviser did email Mr M the following day, offering to meet on 22 June 2023. L&C says it didn't receive Mr M's email confirming he was available. Mr M sent a further email on 22 June 2023 asking why he hadn't received a call.

I think there was some poor service by L&C between 19 June 2023 and Mr M speaking to a different adviser on 27 June 2023.

When he raised his complaint Mr M said he had to assume he'd have secured a cheaper product in early June 2023. As I said, I don't think L&C made an error when it didn't arrange a call with an adviser in early June 2023. Mr M also referred to there being three interest rate rises during the delay. While there was one increase in the Bank of England base rate (of 0.5%) in mid-June 2023 it doesn't necessarily follow that Mr M would have secured a lower interest rate product if he's spoke to an adviser between 19 June 2023 and 27 June 2023.

We asked L&C to comment on what had happened between 19 June 2023 and 27 June 2023. It offered to pay £100 for its poor service. It said there was no change in the rates offered by Mr M's lender between 19 June 2023 and 27 June 2023.

Mr M also said he later found out that re-financing wasn't viable and the first adviser hadn't mentioned this. The first adviser told Mr M in May 2023 that re-financing would be difficult due to him not having two years tax returns. If Mr M is referring to his question about debt consolidation, then I don't think the adviser could have told Mr M with any certainty that this wasn't an option until he'd received the requested information and discussed it with him.

Putting things right

Mr M knew the L&C adviser would be away in early June 2023. But an appointment was arranged for 2pm on 19 June 2023. I think the adviser ought to have called Mr M at this time. As I said, I think there was some poor service by L&C between 19 June 2023 and 27 June 2023.

While I don't think Mr M missed out on a lower interest rate product due to this, it did cause him upset and inconvenience and I think L&C should pay compensation for that. I've taken into account that this was for a relatively short period (five working days). L&C says it didn't receive all of the emails Mr M says he sent during this time. And despite the delay L&C applied for a new product for Mr M well in advance of his product expiry date. In the circumstances, I think £100 compensation is fair and reasonable.

My final decision

My decision is that I uphold this complaint and order London and Country Mortgages Ltd to pay compensation of £100 to Mr M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 May 2024.

Ruth Stevenson
Ombudsman