

The complaint

Miss A complains about the service she received from Loans Warehouse Ltd during her application for a bridging loan.

Specifically, she complains that:

- She wasn't told she would need to provide full architectural drawings to the valuer. If she'd known the valuer wasn't going to be able to provide a proper valuation without them, she wouldn't have gone ahead.
- The valuer who attended the property was rude and misogynistic. They down valued the property, and there was a large discrepancy between what the valuer assessed the costs of the intended works to be, and the estimates Miss A had received from a builder.
- The lender ran a hard credit search after the property had been down valued which had a negative impact on her credit file.
- Loans Warehouse's customer service was poor when she was trying to challenge the valuation, and there were delays in dealing with her complaint.

What happened

In 2023 Miss A discussed her needs for a bridging loan with Loans Warehouse. She wanted to borrow funds to repay an existing second charge secured loan, and complete building works on her house. Loans Warehouse recommended a 12 month secured loan, and submitted Miss A's application to a lender. Miss A paid a valuation fee of £1,140.

Once the valuation report was received, the lender said they wouldn't be able to lend as much as Miss A had wanted. Miss A told Loans Warehouse she wanted to challenge the valuation and the estimated cost of works. Loans Warehouse raised this with the lender who passed Miss A's concerns on to the valuer for comment. The valuer remained satisfied with his valuation. Miss A asked Loans Warehouse to refund her the valuation fee she'd paid.

After a discussion with Loans Warehouse, it was agreed that Miss A would try and get quotes from another builder for the works she wanted to get done, so they could appeal the valuation again with more information. Miss A also made a complaint about the valuer's behaviour, and the fact she didn't know they would need to see full architectural drawings before being able to give a proper value. She was unhappy the lender had contacted her solicitors after the property had been down valued. Miss A still wanted a refund of the valuation fee.

Loans Warehouse issued a final response letter. They said Miss A could make a complaint to the surveyor if she was unhappy with their actions in particular and provided details of how to do that. They said it was a standard part of the process for the lender to contact Miss A's solicitors about her application to ensure they are efficient and proactive to avoid any delays. Loans Warehouse also said they had carried out the valuation appeal on

Miss A's behalf, and she had said she was going to get another quote before going back to the lender again. They said they hadn't received that quote, so weren't able to submit another appeal.

Miss A brought her complaint to our service, and one of our Investigators looked into what had happened. He said that Loans Warehouse weren't responsible for the issues Miss A had experienced in relation to the valuation and the valuer. Having considered the customer service provided by Loans Warehouse, he didn't uphold the complaint.

Miss A disagreed. She said her relationship was with Loans Warehouse and that's who she paid the valuation fee to. So they're the ones responsible for putting things right. She also said that Loans Warehouse didn't provide good customer service and never gave her proper information to make informed choices. She said they manipulated her to proceed when it wasn't right.

As Miss A remained unhappy with the Investigator's view, the complaint's been passed to me to issue a 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.

Firstly, I want to acknowledge Miss A's strength of feeling about what's happened during this loan application. It's clear the process has caused her distress and I'm sorry to hear that she wasn't able to obtain the loan she wanted. I've thought carefully about everything both sides have said, and I've reached the same outcome as the Investigator. I'll explain why.

A lot of Miss A's frustration and upset has been caused by the actions of the valuer who attended her property, and the outcome of that valuation, which meant she was unable to get the loan amount she wanted. Whilst I appreciate Miss A feels Loans Warehouse are responsible for dealing with her concerns about that, I'm afraid I disagree. The valuer was an independent third party carrying out a valuation on behalf of the lender. Whilst Miss A says her relationship was with Loans Warehouse, and she paid them the valuation fee, that doesn't make them responsible for the actions of the valuer, or the outcome of the valuation report. That includes providing Miss A with information the valuer would need to see to accurately value the property. Loans Warehouse told Miss A how she could complain about the actions of the valuer. I'm not persuaded they need to do anything more to resolve that part of Miss A's complaint.

Miss A has also raised concerns with Loans Warehouse about the actions of the lender, for example, that they contacted her solicitors after the valuation had been received. She's also unhappy that a credit check was completed which will leave a record on her credit file. As those weren't the actions of Loans Warehouse, I'm not able to consider those concerns against them either.

What I can consider is how Loans Warehouse dealt with Miss A's application, and the customer service they provided to her. I've seen that when Miss A raised concerns about the valuation, Loans Warehouse challenged this with the lender on her behalf promptly. When this was unsuccessful, they explained that if Miss A could get another builder's quote, they may be able to challenge it again with more information. But Miss A wasn't able to provide another quote and so the application didn't go any further.

After the valuation was challenged, there was a slight delay in Loans Warehouse getting back to Miss A about the outcome. Loans Warehouse apologised for that at the time and

explained that the staff member Miss A had been dealing with had been off work. Following on from that, it did take some time for Loans Warehouse to resolve Miss A's concerns, but from the notes provided it looks like that was a result of them trying to contact Miss A to get the information needed to challenge the valuation, and being unsuccessful. Whilst I appreciate Miss A feels that Loans Warehouse manipulated her to proceed with the application, having considered the contact notes for the account I'm not persuaded Loans Warehouse acted inappropriately or tried to manipulate Miss A. And after the valuation challenge was unsuccessful, Miss A chose not to proceed with an application. That was her choice to make.

Overall, having carefully considered everything provided by both parties, I'm satisfied Loans Warehouse have treated Miss A fairly and reasonably.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 27 June 2024.

Kathryn Billings
Ombudsman