

The complaint

This complaint is about an abortive mortgage application Miss B attempted to make via My Safe Home Limited (MSHL) – a mortgage broker specialising in sourcing mortgages for people with disabilities. Miss B wanted to move from her shared ownership home to a new property better suited to her needs.

The application didn't proceed after MSHL insisted Miss B have a third party present to assist her in the transaction, even after she made it clear she neither needed nor wanted that. Miss B believes she has been discriminated against. She also thought MSHL had mislaid an earlier application she'd attempted to make, and was unhappy to receive correspondence with someone else's name on it.

What happened

The above summary is in my own words. The basic background to this complaint is well known to both parties so I won't repeat the details here. Our decisions are published, and it's important that I don't include any information that might result in Miss B being identified. Instead I'll 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.

Our investigator didn't think MSHL was responsible for the first application going missing. But on the main thrust of the complaint, she considered that MSHL had treated Miss B unfairly and caused her a high degree of personal upset as a result. She recommended MSHL pay Miss B £1,000 compensation, which MSHL thinks is unjustified.

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.

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

That includes listening to recordings of more than twenty phone conversations Miss B held with MSHL.

I agree with the investigator's view that the stalling of the first application wasn't down to anything MSHL did or failed to do. If Miss B wants to pursue that complaint issue, she would need to contact the lender involved.

Turning to the main issue, MSHL's justification for requiring Miss B to be accompanied is that it derives from FCA guidance, and that after considering Miss B's circumstances, it had identified four specific factors that warranted it recommending she have someone else present to support her through the property purchase and mortgage transaction.

That's fine as far it goes; I have no problem with MSHL making the recommendation in the first place. Where I do have a problem is with MSHL insisting Miss B be accompanied even after she had made it very clear she neither wanted nor needed someone else present, and then withdrawing its services when she made it clear she didn't agree.

In the conversation of 10 May 2024, MSHL's staff member gave Miss B's receipt of a Personal Independence Payment as the main reason, and then said: "*this is one of the requirements and it is mandatory for everyone*". Understandably, Miss B found that offensive, and immediately said as much, only to be told if she objected to having support, MSHL wouldn't continue to help her find a mortgage.

By doing that, and then ultimately deciding to withdraw its services from her altogether, I find that MSHL failed to show Miss B the respect she was reasonably due under the very same FCA guidance.

By not taking account of her personal feelings and preferences, MSHL treated Miss B unfairly and insensitively, causing her great personal distress. That can be heard in Miss B's voice during the 10 May 2023 call. That sense of upset won't have been helped by the use of an unrelated customer's name in an item of correspondence.

But it will have been greatly exacerbated by the fact that it stalled Miss B's attempts to get a mortgage and move to a new home better suited to her needs and circumstances. MSHL is one of very few intermediaries that specialise in sourcing mortgages of the type Miss B's circumstances required her to find. She needed MSHL's services and expertise, but what she neither wanted nor needed was the chaperone that it wrongly made a pre-condition of providing the service.

Assessing fair compensation for distress and inconvenience isn't an exact science. This is very much a subjective area; everyone reacts to and perceives things differently, especially "in the moment", when subject to the stresses that are inherent in moving home and arrange the associated finance.

Here, after taking into account the very unique situation Miss B is in, and considering the impact on her of MSHL withdrawing its services because she would not agree to its demand, our investigator assessed compensation at £1,000. Having taken account of everything both parties have said provided, I've reached the same conclusion, and for much the same reasons.

In one of its submissions, MSHL points to comments Miss B made which it says shows her lack of understanding of its role in her transaction. It's not unusual for consumers to not fully understand every aspect of a complex transaction, or the role carried out by each of the involved parties. That's hardly unique to the particular demographic from which MSHL draws its customer base; it's normal and quite routine in the wider population. I have to say though, that having listened to Miss B's phone conversation with Mr A of MSHL in May 2023, she demonstrated at least as good an understanding of the FCA guidance as he did.

If MSHL believes any apparent lack of understanding supports its belief that Miss B needed someone else present to assist her, it really hasn't helped its case with another of its comments. I say that because when asking for the complaint to be reviewed by an

ombudsman, MSHL described the proposed award as a fine. I afraid all the business has done there is reveal its own lack of understanding of our role.

Having no regulatory function means we don't the power to fine businesses. The awards we make are intended to compensate consumers for the adverse impact, whether financial or non-financial, on consumers of acts or omissions on the part of regulated businesses.

MSHL argues that it would make no sense for it to treat Miss B in a way that resulted it losing in the region of £4,000 income it would have received from arranging a mortgage for her. I understand the point, but don't find it persuasive. If no business ever did anything wrong for fear of missing out on potential income, there'd never be any complaints and this service would not exist.

My final decision

My final decision is that I uphold this complaint and order My Safe Home Limited to pay Miss B £1,000 compensation for her time, trouble and upset. 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 consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 16 September 2024.

Jeff Parrington

Ombudsman