

The complaint

Ms A and Mr P complain about the mortgage advice they received from Justin Phillips trading as Open Vision Finance.

What happened

Ms A and Mr P were buying a property and took mortgage advice from Open Vision Finance in 2024.

They had two purchases fall through. The second purchase fell through when their vendors' onward purchase fell through. The property the vendor had hoped to buy was bought by a third party who'd received mortgage advice from Open Vision Finance.

Ms A and Mr P bought a property later in 2024. They have the following complaints about Open Vision Finance.

- It should have conflict checks in place and should have vetted the property chain to avoid a "contract race".
- It didn't check whether they wanted the product fee added to the loan. They preferred to pay the fee to reduce the amount of interest they'll pay. This was changed before completion, at their request.
- It didn't tell them interest rates had fallen shortly before completion. So they missed out on a better rate. They ask that Open Vision Finance compensates them for the additional interest they'll pay.

Our investigator said Open Vision Finance wasn't required to check the sale and purchase chain for possible conflicts. It apologised for the error with the product fee, which was put right before completion and offered fair compensation. Our investigator said Open Vision Finance recommended a mortgage based on rates available at the time. She said the lender's rate change in September 2024 happened too late for Ms A and Mr P to benefit.

Ms A and Mr P didn't agree. They said Open Vision Finance told them it was its usual approach to add the product fee to the loan, and it was indignant rather than apologetic when they asked for this to be changed. They said there was no reason why they couldn't have delayed completion by a week or two so that they could switch to the lower rate. They were sure the vendor would have been fine with it. And there hadn't been any changes to their situation that meant they wouldn't pass the lender's checks. Ms A and Mr P said Open Vision Finance might not even have known they were due to complete.

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.

The property Ms A and Mr P hoped to buy was part of a sale and purchase chain. A third

party bought the property that their vendors had hoped to buy. Ms A and Mr P say the third party received mortgage advice from Open Vision Finance. They say this is a conflict of interest and it should have processes in place to avoid this.

Open Vision Finance says it doesn't have to check the property chain for potential conflicts of interest and it doesn't have access to the information it would need to do so.

I can't fairly find that Open Vision Finance made an error when it gave mortgage advice to a third party at the same time as Ms A and Mr P. I wouldn't expect it to check each property that a customer wants to buy wasn't part of any other customer's sale and purchase chain. And I think the point made by Open Vision Finance – that it doesn't have access to the information it would need to do so – is reasonable.

Open Vision Finance says it mistakenly added the product fee to the loan. It corrected this when Ms A and Mr P asked it to do so. Open Vision Finance said it usually recommends that the product fee is added to the loan as some lenders don't refund the product fee if the mortgage doesn't go ahead.

This caused Ms A and Mr P some inconvenience. They had to call Open Vision Finance and they found its tone indignant rather than apologetic. Open Vision Finance apologised in its final response. I don't think it needs to take further steps to put this right.

The lender issued a mortgage offer to Ms A and Mr P in June 2024. This was re-issued with a lower interest rate product on 9 September 2024. Exchange and completion was scheduled for 16 September 2024 (a Monday).

Ms A and Mr P say the lender made new lower interest rates available on 13 September 2024 and Open Vision Finance failed to inform them of this. This was despite Open Vision Finance telling them it would "keep an eye on rates right through until completion for you".

For me to require Open Vision Finance to compensate Ms A and Mr P for financial loss (the additional interest), I'd have to find this loss was due to its error. That is, that Open Vision Finance made an error when it didn't tell Ms A and Mr P the lender had brought out new interest rate products, and that they'd have secured a lower interest rate product if it had done so.

Open Vision Finance says Ms A and Mr P would not have been able to re-apply for the lower rate product and complete the next business day. It provided an email from the lender that confirmed this. The lender said it had already received the certificate of title and it wasn't possible to switch rates at this point and complete the next day. The lender said if 90 days had passed since the original DIP (decision in principle) the application would be rescored and it could need new or additional documents.

Open Vision Finance says it can't commit to reviewing and changing all mortgage offers each time new rates are made available by lenders as this would involve an unreasonable level of work. I don't think Open Vision Finance should have told Ms A and Mr P that it would "*keep an eye on products through until completion*" if that's not the service it offers. However I don't think in this case that made a difference to the outcome. I think there's a point at which a mortgage is too close to completion for a broker to suggest the customer try to switch products. And I think that was the case here.

Ms A and Mr P say it was for them to decide whether to take the risks involved, if Open Vision Finance had told them lower rates were available. They say the vendor would have agreed to delay exchange and completion, rather than having to find new buyers.

At this point, the lender had received the certificate of title from the solicitor and would have transferred completion funds to the solicitor. It was too late to switch products and continue to completion as agreed. If completion was delayed, the funds would be transferred back to the lender.

It seems likely the lender would have rescored the application: it was nearly 90 days since the original mortgage offer was issued and the DIP would have been issued before this. The timing for a new mortgage offer would depend whether the lender asked for further documents, and the time it took to provide these and for the lender to review the information. Ms A and Mr P say they'd have met the lender's criteria as their circumstances hadn't changed. However, while there's no suggestion this was a problem here, lenders do change criteria from time to time so rescoring an application can involve some risk. Once a new offer was issued, the lender said it requires at least five working days' notice of the completion date, to ensure that completion funds are paid to the solicitor in time.

It might have been possible to delay completion so that Ms A and Mr P could apply for the lower rate. But this would have meant a delay of at least a week and quite possibly longer. While Ms A and Mr P say their vendor would have been happy to delay completion, they haven't provided evidence to support this. I appreciate that they didn't ask the vendor at the time because they didn't know the lender had made lower interest rate products available. But this does mean I can't be sure what the vendor would have said at the time.

Delaying completion would have involved inconvenience for the vendor without any obvious benefit. About three months had already passed since the original mortgage offer was issued in June 2024. Mr P says the vendors would have agreed to the delay rather than find new buyers. That might depend on various things, such as the vendors' circumstances and what was happening with property prices at that time. I don't think, based on the available evidence, I can fairly find that the vendors would have agreed to delay completion.

I understand Ms A and Mr P's frustration. But I don't think it's fair and reasonable to require Open Vision Finance to compensate them for missing out on a lower interest rate product. I can't fairly find that Open Vision Finance should have updated them about a change of rates when it was already too late for them to switch products and complete on the agreed date. And I don't think I can fairly find that the vendors would have agreed to delay completion.

Open Vision Finance offered, as a gesture of goodwill, to reduce its completion fee by 50% given Ms A and Mr P's dissatisfaction. It's unclear if Ms A and Mr P have paid the completion fee. If they have, then Open Vision Finance should refund 50%. If they haven't, it should re-issue its invoice with the 50% reduction.

My final decision

My decision is that Justin Phillips trading as Open Vision Finance should reduce its completion fee by 50%, as it offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A and Mr P to accept or reject my decision before 30 September 2025.

Ruth Stevenson
Ombudsman