

The complaint

Mr B and Miss C have complained to Jack Gear Mortgage Advice Limited – an appointed representative of the Mortgage Advice Bureau Limited.

Mr B and Miss C are unhappy with how their application for a remortgage has been handled. They say they asked for a different product to be applied ahead of the deadline given but this wasn't actioned causing their mortgage to revert to an unsuitable product.

For ease I will refer to Mortgage Advice Bureau Limited ("MAB") as the respondent throughout this complaint.

What happened

Mr B and Miss C used the services of MAB as their broker to help obtain a remortgage deal on their property.

After exploring several options Mr B and Miss C opted for an interest rate of 4.99% fixed for five years with their existing lender which gave them a monthly payment of £858. Because Mr B and Miss C were remortgaging with their existing lender, they didn't pay a fee to MAB for this service. As set out in the offer, the lender paid MAB commission for arranging the mortgage on its behalf.

Mr B and Miss C's existing deal was due to end on 31 August 2024. They were informed that they had a right to request to cancel the application up to 14 days before the end of the month prior to the new product taking effect. So, the last possible day to make any changes to their upcoming remortgage deal was Saturday 17 August 2024.

Miss C emailed their contact at MAB (who I'll refer to as broker A) at 7:28pm on 15 August 2024 to say that they wanted to go for a two-year tracker deal instead of the five-year fixed rate they'd initially applied for. This deal was a rate of 0.69% above the Bank of England base rate for two years, giving Mr B and Miss C a starting interest rate of 5.69%.

Miss C's email read:

"Sorry we really are well and truly leaving it to the last minute, but we've decided to go for the tracker mortgage. If we can add the product fee to the loan then we'll do that if not can pay it up front. Let me know if you need anything else."

Miss C received an out of office reply from broker A that said:

"Thank you for your email. I am out of the office and will return on Monday 19th August. My emails will not be monitored in my absence, so if your enquiry is urgent please ring the office on [telephone number provided] and one of my colleagues will be able to assist you..."

Miss C then emailed another colleague at MAB (who I'll refer to as broker B) at 7:52pm on 15 August 2024 to say:

“...We’ve been speaking to [broker A] regarding remortgaging our house, and we had until the 17th to decide what to do. I’ve just emailed to say that we’ve decided to go with the tracker mortgage but I’ve had a bounce back to say she’s out the office until Monday and just worried we’re going to miss our deadline as we had originally signed up to the 5 year fix. Will it be okay to wait until Monday when [broker A] is back?”

Broker B wasn’t working on 16 August 2024 but hadn’t set their out of office, so the email wasn’t picked up in time.

Broker A and broker B returned to the office on Monday 19 August 2024. Having received the email from Miss C sent on Thursday evening, and learning of her email to broker B, broker A tried to speak to the lender to see if anything could be done to honour the variation to the remortgage. Because the deadline had passed, the lender said the only option to exit the five-year fixed deal would involve paying the early repayment charge (ERC).

Unhappy with this, Mr B And Miss C complained to MAB. They said that they tried to reach MAB within sufficient time for the change to take effect ahead of the deadline given. They feel that broker A should have told them that she’d be out of the office given her leave was so close to the impending deadline. They’re unhappy that broker B had not set an out of office so they assumed their request was being handled, otherwise they would have called the office to speak to someone.

Mr B and Miss C say that if the interest rates continue to fall, they’ll be financially disadvantaged for the next five years.

Mr B and Miss C asked the Financial Ombudsman Service to look into their complaint. An investigator looked into things and thought the complaint should be upheld. He said that Miss C had made contact with MAB ahead of the deadline and had she received an out of office reply to her email to broker B, he was persuaded she would have taken other steps to reach MAB. The investigator thought that MAB should cover the cost of any savings Mr B and Miss C would have made to date had the tracker deal gone ahead. He also thought that MAB should cover the ERC and any other fees applicable to allow Mr B and Miss C to end their current deal and move to a tracker rate now – along with paying them £500 compensation.

Mr B and Miss C accepted the investigator’s findings, but MAB didn’t. Because an agreement wasn’t reached the case was passed to me to decide.

I issued a provisional decision on 1 August 2025, in which I said:

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

Having done all that, I’ve reached a different outcome to our investigator. I realise this will be disappointing for Mr B and Miss C. But I hope the reasons I have set out below will help them to understand why I have come to this conclusion.

The first thing to note here is that because Miss C emailed MAB out of hours on Thursday 15 August 2025, it’s not unreasonable that the earliest the email would be picked up was the following day. This left only one working day for the application to be amended ahead of the deadline.

Broker A was out of the office, returning the following Monday. An out of office was set giving clear instructions to call the office for urgent queries. I consider this to be good

practice on MAB's part. I appreciate Mr B and Miss C feel that broker A should have told them in advance that she was going to be on leave on the lead up to the deadline date. Broker A appears to have only been off for one day. I don't think it's reasonable for her to have contacted her clients to inform them of a singular day's leave. Perhaps that would be the reasonable thing to do ahead of extended leave – but that wasn't the case here.

In any event the out of office reply that Miss C received gave helpful information about the alternative way to make contact about urgent enquiries. Given the close proximity to the deadline date, I consider this to be an urgent matter. Instead of calling the office which would guarantee speaking to someone, Miss C chose to email broker B.

I appreciate broker B was unavailable and had not set an out of office reply. And I do accept that if Miss C received a further out of office reply, at that point she may have chosen to call the helpline the next day. But on the other hand, even if broker B was in the office there is no guarantee that he would have picked up the email in time to action it ahead of the deadline. Assuming that to be the case is suggesting that there is a requirement for emails to be dealt with instantaneously which I don't consider to be reasonable. It's not possible to predict the nature of someone's workload at any given time and therefore I think the reasonable thing to do in these circumstances would have been to call the office to guarantee a response to this urgent query.

Miss C says that because her email was delivered, she assumed her query was being dealt with. But she received no confirmation of that being the case – so this was no more than an assumption on her part. I think given the importance of the matter and its urgent nature, some responsibility lies with Mr B and Miss C to have followed up to ensure their instruction was being dealt with in broker A's absence.

As I've said, broker A gave clear instruction about the appropriate way to make contact about urgent queries in her absence. Mr B and Miss C didn't follow that instruction – no attempt was made to call the office to speak to someone. Had they done so but not got through to anyone then I'd likely reach a different conclusion here.

When broker A returned to the office, she made contact with Miss C. She was apologetic about what happened and took steps to see if the change to the application could be honoured in the circumstances without incurring the usual costs, but the lender didn't agree at its discretion.

Whilst I accept that MAB didn't get everything right, I've not seen enough to say that it was entirely at fault here. I think Mr B and Miss C could have done more to mitigate their loss. So, I can't reasonably hold MAB wholly responsible for any loss described by Mr B and Miss C as a result of their mortgage continuing on the five-year fixed rate instead of the tracker deal.

That said I do accept that this matter has caused Mr B and Miss C a degree of distress and inconvenience. Overall, I consider an award of £150 to be reasonable and in line with this service's guidelines on such compensation. I won't be asking MAB to do anything further to settle this complaint.

My provisional decision

My provisional decision is that I uphold Mr B and Miss C's complaint against Mortgage Advice Bureau Limited."

Both parties responded to my decision. MAB accepted my provisional findings. Mr B and Miss C didn't agree. They said:

- One of the main reasons why they chose MAB is because of their ability to communicate with it via email. They both work demanding 9 to 5 jobs, so they don't have the capacity to follow up with phone calls;
- They feel the deadline was inappropriately set for a Saturday when the offices were closed. Had they emailed on the Saturday they would have faced the same issue, as the office would have been closed, making it impossible to reach anyone; and
- Broker A said in her email on 19 August 2025 that she should have followed up on the Thursday, ahead of her upcoming leave and the deadline on the Saturday.

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've considered Mr B and Mrs C's point about their requirement to communicate by email instead of by phone. But I still don't think it was unreasonable to expect them to make a call on this occasion having been instructed to do so in broker A's out of office.

It's important to note here that the deadline to cancel a rate switch is set by the lender and not the broker. The lender in this case allows a customer to cancel a rate switch up to 14 calendar days before the end of the month before the new deal takes effect. So I don't think MAB acted unreasonably when it relayed the correct deadline date to Mr B and Miss C as set by the lender. It's unfortunate that the deadline fell on a Saturday, but that was outside of MAB's control. Mr B and Miss C have described the difficulty they say they would have faced had they tried to contact MAB on the Saturday – but this is a hypothetical situation. I must consider the facts of this case in the way that they've occurred.

As I said in my provisional decision, I've seen evidence that broker A was apologetic after the incident and with the benefit of hindsight she says that she feels she could have done more to improve her communication with Mr B and Miss C. Whilst this may be the case, MAB ultimately did not uphold Mr B and Miss C's complaint. Mr B and Miss C have come to our service for an independent and impartial opinion on the outcome of their complaint. Having considered this case, I see no reason to depart from what I provisionally decided.

My final decision

My final decision is that I uphold Mr B and Miss C's complaint, and I direct Mortgage Advice Bureau Limited to pay them £150 to settle this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Miss C to accept or reject my decision before 15 September 2025.

Arazu Eid
Ombudsman