

The complaint

Miss R complains about the service provided by Key Retirement Solutions Limited (KRS) when it was giving her lifetime mortgage advice.

What happened

Miss R had a mortgage with a lender that was due to be repaid. She wanted a lifetime mortgage to repay her existing mortgage and to raise money for home improvements.

In 2024, KRS gave Miss R lifetime mortgage advice. The lender declined the lifetime mortgage that KRS recommended because the valuation report showed the property was not in line with its criteria.

Miss R complains:

- KRS did not give her a copy of the valuation report despite her requests to see it.
- KRS did not adequately or accurately discuss the content of the valuation report.
- The valuation report it provided did not meet the correct standards.
- KRS did not handle her complaint properly.

Miss R said she is vulnerable. Because of everything that has happened she's not been able to progress an application for a lifetime mortgage and her mortgage lender has now obtained a possession order.

The investigator did not think the complaint should be upheld.

Miss R did not accept what the investigator said. She responded to make a number of points, including:

- The investigator had not referred to what had happened, the legal action and how she'd been impacted by this matter.
- The investigator had not referred to evidence she's provided.
- The surveyor's comments were from the general remarks section of the report. The surveyor was also required to complete a section entitled "matters essential for mortgage purposes".
- There were no concerns noted by the surveyor.
- The valuation report is not valid. There are inconsistent reporting of issues between the version of the report she received and the information on the notes. For example, the report says the property will be offered for sale by vacant possession. The surveyor confirmed with her that the inspection was for a remortgage – but the notes say the basis

for the valuation is market value. This makes the report void because she would have to give permission for her property to be sold.

- There was a mortgage rule that had been removed that contributed to the delay in arranging a lifetime mortgage as it gave KRS an opportunity to withhold the valuation report.
- It is not fair to continue with repossession while the FCA is reviewing the mortgage rules.
- It was not appropriate for her lender to issue a repossession order due to delays that are outside her control
- She should have been given a copy of the valuation report between 24 and 28 June 2024.
- We should confirm if the lender wanted her to have a copy of the report.
- She complained because the valuation report was withheld. KRS made it clear in an email dated 5 September 2024 that it had no intention of giving her a copy of the report.
- She should have received the level of service based on the firm's claim that it adhered to the Equity Release Council's standard, which says the valuation report should be provided as soon as it is available.
- KRS had not met its obligation to pay due regard to her interests and treat her fairly – as required by the FCA's Principles for Businesses.
- The delay by KRS in providing a copy of the valuation report and the failure to acknowledge she did not receive the level of service she should have has affected her confidence in the application process and the complaints process.
- The delays and issues discussed as part of the FCA's ongoing mortgage review have contributed to the delay in securing a lifetime mortgage.

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.

We are an informal dispute resolution service. I'm required to determine what I consider to be fair and reasonable in the circumstances of this complaint. I've read everything both sides have said and provided. But I'm not required to comment on every point or piece of evidence they have provided. And after reviewing everything, I do not consider that KRS treated Miss R unfairly.

I am only looking at a complaint about KRS. I'm afraid I do not have the power to look at the actions of Miss R's mortgage lender. So I can't comment on whether it was appropriate for it to take the legal action it did.

The Equity Release Council's standards said that *lenders* may choose to share a copy of the valuer's report, in part or in full with the mortgage adviser and/or customer. But it was the lender's discretion whether to share the report or not.

It is clear that the lender did not choose to provide a copy of the report directly to Miss R - otherwise Miss R would not have needed to ask KRS for a copy. But KRS was not responsible for that. Although I can see that the content of the valuation report was discussed in some emails between Miss R and KRS, I don't think it was unfair or unreasonable for it not to provide a copy of the report initially, bearing in mind what was discussed. When Miss R made a specific request for the report on 29 August 2024, KRS supplied a copy on 5 September 2024. There was a short delay because the member of staff she was dealing with was on holiday. That was not unreasonable.

The valuation report was carried out by a third party. KRS is not responsible for the content of the valuation. So even if Miss R had good reasons to doubt the validity of the valuation report, I could not say KRS was responsible for that.

Similarly, the decision to decline the application was a decision made by the lender, not KRS. It was the lender's responsibility to reach a decision based on the valuation report. KRS set out in a clear way that it was unlikely to be able to obtain a lifetime mortgage for Miss R unless some work was carried out on her property. It said she should explain that to her current lender. I think that was a reasonable position for a mortgage broker to take in the circumstances here.

I understand Miss R doesn't think that KRS followed the correct complaints process. But even if she is correct I can't see that she has been disadvantaged by that. KRS sent a final response to the complaint within the eight weeks it had to do so. The response was thorough and showed that it had investigated her complaint. I appreciate that Miss R was disappointed with the outcome. But it does not follow that KRS dealt with her complaint unfairly or unreasonably.

I recognise that Miss R was vulnerable. She's explained about her personal circumstances and I have taken them into account. But I think that KRS treated her fairly even taking that into account. For example, it waived the fee it would usually charge for giving advice and it has dealt with her sensitively. But it was unable to source a lifetime mortgage for Miss R. That does not mean it was not paying due regard to her interests or that it has not treated her fairly. It simply reflects that it was merely giving Miss R advice. The valuation report and lending decision were outside its control.

I appreciate Miss R is worried about changes to MCOB and a discussion paper issued by the FCA. Respectfully, I don't think the things she's referenced really make any difference here. It was MCOB 8 that applied here – not MCOB 4. That is because Miss R was receiving advice on a lifetime mortgage. MCOB 8.6A.4 mirrors the part of the rules I believe Miss R mentioned.

That part of the rules is not significantly different from when Miss R received advice and it is difficult to see how she has been disadvantaged by any changes. She will still need to obtain advice before taking a lifetime mortgage. That part of the rules simply sets out the limited circumstances where she can choose to reject any advice she received and do something different.

Miss R has also mentioned the FCA discussion paper DP25/2. That is a paper that considers areas of the mortgage market that may need to be changed. But I do not see how it affects the circumstances here. I am not aware of lenders or advisers changing their approach because of the discussion paper in a way that might disadvantage Miss R. And it has always been for Miss R to make another application for a lifetime mortgage if she wishes.

I was sorry to hear about the very difficult position Miss R is in because she has not arranged a lifetime mortgage to repay her existing mortgage. I am unable to consider any complaint about her lender's actions or to order it to do anything as part of this complaint. But I would encourage Miss R to maintain a dialogue with her lender.

I have thought carefully about everything that Miss R has said and all of the evidence she's provided. But having done so, and in my experience, the overall service provided by KRS was reasonable. I accept that Miss R was very disappointed that she could not get the lifetime mortgage she wanted – but it does not follow that KRS made any errors or did not treat her fairly. Ultimately it is for Miss R to seek mortgage advice and apply for a lifetime mortgage if that is what she wants to do. But I can't see anything KRS did or not do has prevented her from doing so.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 16 December 2025.

Ken Rose
Ombudsman