

The complaint

Mr P and Miss M complain that a mortgage broker working for Openwork Limited trading as The Openwork Partnership wrongly calculated the amount to repay their Help to Buy loan. They said they only found out at the last minute they needed to pay £2,000 more to move.

What happened

Whilst this complaint is brought by both Mr P and Miss M, as the mortgage is in both their names, our dealings have been with Mr P. So I'll mainly refer to him in this decision.

Mr P and Miss M took advice from a broker working under the umbrella of Openwork, before they moved house.

Mr P said this mortgage broker had calculated figures for his sale and purchase. But the broker had made a mistake about the amount Mr P needed to pay to clear a Help to Buy loan ("HTB"). Mr P said this should have been 20% of his sale price, but the broker got the calculation wrong. He was out by £2,000, and Mr P said the mistake wasn't spotted until very close to when they were due to move.

Mr P said he didn't want to cancel the move, but it was too late to do anything other than pay the extra in cash. Mr P said fortunately he was able to do that from his wages, but he said that meant he had to go into overdraft to meet the rest of his monthly bills.

Mr P said he had relied on the broker to calculate and confirm that all the funds needed for completion would be in place. And he said it was very clear this was the broker's mistake. Mr P said Openwork had paid £500 but he thought it had to refund the full amount of £2,000 which he'd unexpectedly had to pay.

Mr P said he would have asked the broker to add this shortfall to the mortgage, if he had been made aware of this earlier. Or alternatively, he would not have spent money on a holiday not long before moving house.

Openwork said it was clear the figures its broker had given to Mr P were provisional, and whether or not he received money back at the time of sale would depend on a number of factors, such as legal costs, sale price of the property, and any purchase incentives offered as part of the transactions. Openwork didn't think the broker had made any commitment that Mr P would have money left over after his sale and purchase were completed.

Openwork also said when the broker calculated the HTB payment, the figures he used were indicative based on what the broker knew at the time. Unfortunately the broker didn't then recalculate when this figure had been firmed up. But Openwork said there were a number of things which can affect the final costs. And it said the broker's role was to source a mortgage for Mr P and Miss M, it wasn't to confirm those costs. That was the responsibility of their solicitor. Openwork also said it thought that Mr P would have known how much he had to pay for the HTB loan, because he had the underlying valuation this was drawn from.

Openwork said it would pay Mr P £500, which it has done since, but it didn't think it had to

cover what Mr P said was a shortfall of £2,000.

Openwork then added that it didn't think Mr P would have added this extra money to his mortgage. It said he had borrowed the maximum amount available to him within the 90% loan to value bracket. Any more borrowing would have increased the interest rate payable on the lending, and Mr P had already decided not to add the cost of legal fees to the mortgage, for this reason.

Our investigator didn't think this complaint should be upheld. She said Openwork had acknowledged the broker provided incorrect calculations for settling the HTB loan. So she had to consider what would've happened if Mr P had been given the correct information.

Our investigator didn't think Mr P and Miss M had experienced a financial loss, because the amount to repay the loan was always owed, and they had to pay this. Rather, she said what had gone wrong here was that Mr P and Miss M weren't expecting this cost. So she said she couldn't just ask Openwork to pay £2,000. She accepted that the experience was stressful for them, but she said our service wouldn't expect Openwork to put them in the position they would be in if the misinformation was correct.

Our investigator said she could consider the impact this had on Mr P and Miss M, and ask Openwork to compensate for that. But she thought Openwork had already done that, with its payment of £500. So she said she wouldn't ask it to do more.

Mr P disagreed. He said he would definitely have added the extra £2,000 to his mortgage, but because of what Openwork did, he'd been forced to pay £2,000 in cash that he didn't have. Mr P said the broker was the expert here, he had messed up basic calculations leading them to believe incorrect figures were right up until completion. Mr P stressed that before this, he'd been constantly reassured these figures were correct.

Our investigator said she didn't think Mr P would have added this amount to his mortgage, because Openwork had shown us that Mr P was already at 90% loan to value. Any increase in his lending would have increased his interest rate, and affected whether the mortgage was affordable for him. So she still thought Mr P would have made up the shortfall with cash.

Mr P said he'd relied on the broker's figure as what was required to clear his HTB lending throughout the transaction, including on exchange. He stressed that he only found out about the mistake a week before completion, when he was already legally bound to go ahead.

Mr P said we had misunderstood the loss, because we said he would have to pay £2,000 "in any event". He said the issue wasn't whether the £2,000 was ultimately due under the HTB scheme, it was the direct financial detriment caused by Openwork's inaccurate advice and the timing of discovery. Mr P said he lost the ability to plan his finances, budget appropriately, or include this sum within his mortgage. Instead, he had to find £2,000 in cash, at short notice. Mr P said that was a financial loss, and Openwork's broker had caused it. Mr P said if he had known the correct HTB figure, he could have explored alternative products, adjusted the deposit, or structured the borrowing differently. Or he could have negotiated on the purchase price, reducing a number of optional extras on his new-build property.

Mr P said concluding he would have made the same decision with accurate information was speculative and failed to account for the loss of opportunity caused by what he said was the broker's negligence.

Mr P said the consumer duty requires brokers to provide information which enables customers to make effective, timely, and informed decisions. He said the failure to provide

accurate figures breached this duty. And he still argued this led to a clear financial detriment, when he had to fund an unplanned £2,000 at short notice due to the broker's admitted mistake.

Mr P still thought Openwork should reimburse the full £2,000 shortfall, or equivalent compensation to reflect the avoidable financial loss he had incurred.

Because no agreement was reached, this case came to me for a final 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.

I've reached the same overall conclusion on this complaint as our investigator.

As our investigator said, there is no dispute here that Openwork's broker made a mistake. Openwork has, however, disputed whether it was entirely reasonable for Mr P to rely solely on the figures its broker gave, for repaying his HTB loan. I don't think I need to decide that point, because I think that even if I assume it was reasonable for Mr P and Miss M to rely on that figure, I would not consider that this complaint needed to be upheld now. I'll explain why I've reached that view.

Mr P has repeated a number of times that he feels he has faced a financial loss here, due to having found out rather late in the day that he had to pay £2,000 more than he anticipated to clear his HTB lending. I'd like to start by saying that I don't in any way wish to downplay the distressing effect the late discovery of this shortfall must have had on Mr P and Miss M. But I do think it's worth considering what the position would otherwise have been.

There is no question that Mr P would always have needed to pay the additional £2,000. He could not have redeemed his HTB loan without paying that sum. Mr P may have been able to make alternative arrangements to cover that cost, but he could not have avoided it.

Mr P said he thought he would have increased his mortgage if he'd been notified of this earlier. Like our investigator, I haven't been able to see that it's most likely he would have done that. This would have taken his loan to value over 90%, increasing his interest rate on the whole of his new borrowing. Although Mr P says if he'd been told in time about how much he needed to borrow, he could have explored other options, it looks as if he was porting his existing mortgage to avoid having to pay an Early Repayment Charge of around £6,000 on that lending. So it does look as if Mr P's other options were going to be less attractive to him, as they were potentially more costly.

And, more importantly, if Mr P had added this sum to his mortgage, then he and Miss M would have had to pay this money back, plus interest, over the term of their mortgage. They would have avoided all the stress of having to find an unexpected £2,000 late in the day, but this would not have removed the need to pay this amount. So as I've set out above, if Mr P had been told earlier about this £2,000, and if he had been able to add it to his mortgage, there would still have been a financial impact on him.

Mr P did, alternatively, suggest that he could have saved some money before his planned move, and also reduced the amount of optional extras that he purchased with his new-build property. I think it is likely that Mr P could have done this, not taking a holiday shortly before he moved house, or providing a marginally less comfortable home for himself and his family, then not had to find the shortfall money from his wages.

But even if I do work on the basis that Mr P would have done this, when I'm thinking about how to resolve this complaint, I have to think about whether it is fair and reasonable to require Openwork to pay now the full amount of Mr P's shortfall, effectively either funding some of his holiday, or a small part of his purchase for him.

I do think that it's appropriate here to ask Openwork to make a reasonable contribution to the shortfall that Mr P had to find. That's because I do think its broker's mistake played a large role in the difficult situation that Mr P and Miss M found themselves in, not long before their move. But I do think the payment of £500 that Openwork has already made, does that.

I accept that under the Consumer Duty Openwork had a duty to provide information which enables customers to make effective, timely, and informed decisions. Putting aside that it is not for me to decide if there has been a breach of the Duty, it is not in dispute that Openwork did not give Mr P all of the information he needed to make an informed decision – but that doesn't make any difference to the outcome of this complaint. I've explained my reasons why I consider the amount Openwork has paid is a fair way to settle this complaint.

Because of this, I don't think Openwork has to do more now. That's not because Openwork didn't make a mistake here. Clearly it did. But it's because I've reached the view that what Openwork has already done, has provided a fair and reasonable outcome to this complaint.

I know Mr P in particular will be very disappointed by my decision, but I don't think this complaint should be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M and Mr P to accept or reject my decision before 23 December 2025.

Esther Absalom-Gough
Ombudsman