

The complaint

Mr and Mrs F are unhappy with the service provided by Openwork Limited, after they approached Openwork for mortgage advice. Mr and Mrs F believe the poor service they received threatened their plans to move house, led to them incurring unnecessary costs and resulted in them experiencing unnecessary worry.

What happened

Mr and Mrs F had previously used the services of a mortgage broker (who I'll call 'Broker T') that operates as part of the Openwork network, to arrange a mortgage.

In June 2024, Mr and Mrs F were looking to move property and were seeking advice from Broker T in terms of arranging the mortgage finance. They had an existing mortgage with a lender I'll call 'Lender A.'

Mr and Mrs F originally had their existing property on the market for over £800,000, but it ended up selling for £783,000.

In early July 2024, Broker T attempted to obtain a number of decisions in principle (DIPs) for Mr and Mrs F with a different lender who I'll call 'Lender K'. One of the DIPs indicated that Mr and Mrs F would be able to borrow £657,000 over 30 years, at 90% loan to value (LTV).

The other DIPs generated around the same time, were declined – i.e. with the information input by Broker T, Lender K wasn't prepared to lend Mr and Mrs F what they were seeking. On 9 July 2024, Broker T submitted an application to Lender A on Mr and Mrs F's behalf for approximately the same amount as the successful DIP with Lender K, which included a port of their existing mortgage rate. This also looks to have been at 90% LTV.

Shortly after, Lender A told Broker T it was only prepared to lend Mr and Mrs F up to a maximum of 85% LTV.

Broker T's notes indicate that later in July 2024, Mr and Mrs F made Broker T aware that they were considering keeping their existing property and letting it out (they signed a Consent to Let form with Lender A) and that they had received a substantial gift from family, to be able to increase the deposit for their intended property purchase.

The notes also indicate that Broker T was exploring other options to source a mortgage for Mr and Mrs F's new property purchase.

In late August 2024, Mr and Mrs F sent Broker T the memorandum of sale confirming the sale of their existing property.

In late September 2024, Broker T told Mr and Mrs F that Lender A was only prepared to port the existing amount of their mortgage – so this wasn't a viable option. And that Lender K also couldn't offer the finance they were seeking, given their circumstances.

Mr and Mrs F have provided a copy of a successful DIP with Lender K dated 30 September 2024, indicating they were later able to obtain a mortgage of £657,000, over a 30-year term, with an LTV of 90%.

Mr and Mrs F complained to Openwork that Broker T had misled them into thinking their mortgage arrangements were being sorted out. They said this had left in them in a compromised position in terms of buying the new property, and caused massive emotional and mental stress.

Openwork didn't uphold the complaint. In summary, it said Broker T had tried to secure mortgage finance for Mr and Mrs F, but had been unable to do due to changing circumstances and requirements.

Mr and Mrs F remained unhappy, and referred their concerns to the Financial Ombudsman Service. An Investigator here issued an assessment of the complaint. In summary, they thought Broker T had given Mr and Mrs F the impression that work was being undertaken with different lenders, but that no application had in fact been made with Lender K.

The Investigator said that as Mr and Mrs F were then able to obtain a mortgage with Lender K, this indicated Broker T hadn't properly explored all the available options. And had it done so, Mr and Mrs F would've avoided certain costs and experiencing unnecessary distress and inconvenience.

The Investigator recommended that Openwork repay any broker fee charged by Broker T, reimburse Mr and Mrs F for storage costs for the time before they were able to move into their new property, refund the difference in mortgage interest if Mr and Mrs F were paying a higher amount, and pay £500 to reflect the distress and inconvenience caused.

Openwork didn't agree with this outcome. It said there had been an incentive for Broker T to successfully obtain a mortgage – since no broker fee was charged, and that was how it would be remunerated.

It said Mr and Mrs F's case wasn't straightforward, and that their changing circumstances made things more complicated. It questioned whether the lending Mr and Mrs F had managed to secure through a different broker, was on a 'like for like' basis.

The Investigator still thought the outcome should be what they'd said. As the matter remained unresolved, it was passed to me to make a decision. I issued a Provisional Decision (PD), in which I said the following:

“First, Openwork says no broker fee was charged. And it looks like Mr and Mrs F ended up on a lower rate of interest with Lender K than was available when Broker T was first exploring a mortgage with them. So even if I were to find that Broker T had made mistakes, these things would not represent losses.

The key things I need to decide are whether Broker T's actions (or inactions) can reasonably be said to have caused Mr and Mrs F any financial loss. Or to experience unnecessary distress and inconvenience (and if so, to what extent). This is what I've considered.

Can Broker T reasonably be said to have caused Mr and Mrs F a financial loss?

Mr and Mrs F have said Broker T's action (or inaction) meant they were delayed moving into their new property. And that this meant they incurred storage costs that they otherwise wouldn't. The key here is whether I can say on balance, on the evidence available, that if

things had gone as they should, it's more likely than not that Mr and Mrs F would've been able to move into their property sooner, such that they wouldn't have incurred the storage costs that they did (or that they'd have incurred less such costs).

An important factor in this, is that (on my reading of the information relating to the mortgage Mr and Mrs F eventually got with Lender K, through a different broker) it looks like the mortgage was granted on the basis that the majority of Mr and Mrs F's existing debts were to be repaid after the mortgage was granted.

According to what both Broker T and Mr and Mrs F have said, Broker T's understanding in September 2024 was that Mr and Mrs F weren't intending to repay their existing non first-charge secured loan.

The DIP that Broker T attempted with Lender K on this basis, on 17 September 2024, came back as declined. This appears consistent with the DIPs Broker T carried out in July 2024.

Broker T says the successful DIP in July 2024 (with the amount borrowed and term in line with what Mr and Mrs F ended up with), was generated based on Mr and Mrs F repaying most of their existing debts.

This is important, because it means the mortgage Mr and Mrs F obtained with Lender K, through a different broker, was not on a 'like for like' basis with Broker T's understanding of Mr and Mrs F's requirements.

I'm also conscious that Mr and Mrs F's circumstances and requirements changed in several ways, following the initial contact between them and Broker T. For example, in terms of the amount they were to receive from the sale of their existing property, exploring letting their existing property, receiving a substantial gift from family, as well as whether they intended to repay their existing debts as part of the new arrangement.

There was also inherent uncertainty in a key element of the arrangements – the sale amount of the existing property – until this was agreed in late August 2024.

And whilst I think it's fair to say that Broker T was optimistic in communications with Mr and Mrs F that it would be able to help them to secure the finance they needed, I haven't seen anywhere that Broker T told Mr and Mrs F it was certain of being able to do this. I'm also conscious that, whilst Mr and Mrs F say they believed Broker T was arranging mortgage finance on their behalf, I can't see that they'd ever received a mortgage offer from any lender, during the time that broker T was exploring options on their behalf. Mr and Mrs F decided to proceed with their property sale and purchase, before they'd received a mortgage offer.

With these things in mind, whilst I consider there were some occasions when Broker T could've done more to be clear with Mr and Mrs F about the steps it had taken and where things were up to, I don't think there's strong evidence to indicate that Mr and Mrs F would've gotten a mortgage with Lender K sooner, if things had gone entirely as they should.

There were many uncertainties and changing circumstances to consider. And, the mortgage Mr and Mrs F were able to obtain with Lender K through a different broker, looks to have been on a fundamentally different basis to Broker T's understanding in September 2024 (in terms of the extent to which Mr and Mrs F intended to repay existing debts).

Accordingly, I don't currently find that Broker T can reasonably be said to have caused Mr and Mrs F a financial loss.

Did T cause Mr and Mrs F unnecessary distress and inconvenience?

Notwithstanding the changing circumstances and requirements, having reviewed the timelines of events provided by both Broker T and Mr and Mrs F, I do consider there were some occasions when Broker T could and should have been clearer with Mr and Mrs F about the steps it was taking and how the various options had progressed.

Taking everything into account, whilst I haven't found that Broker T can reasonably be said to have caused Mr and Mrs F a financial loss, I currently think that Openwork should pay Mr and Mrs F a total of £200 to reflect the extent to which Broker T's service fell short, and the distress and inconvenience this caused to Mr and Mrs F. Such an award is in line with our approach to compensation awards.

My provisional decision

Subject to any further submissions, I currently intend to direct Openwork Limited to pay Mr and Mrs F £200 for the distress and inconvenience it caused."

I asked both parties to provide any further submissions by 22 January 2026. Openwork accepted the decision. Mr and Mrs F did not. In summary, they said I hadn't considered the facts, based on the information they'd provided from the DSAR information they'd obtained and shared when bringing their complaint. They said everything Openwork had told them had been a lie and that it had made up stories.

Mr and Mrs F said there was no evidence Broker T had been in contact with Lender A, Lender K or anyone else after early July.

They also said their financial position hadn't changed and pointed out that Broker T had established in July 2024 that Lender K had been prepared to lend to them. And they said that Broker T hadn't given them an adequate explanation when it told them in September 2024 it was unable to help.

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.

Having done so, nothing said in response to my PD has changed my mind about what represents a fair and reasonable outcome in this case.

Before I explain why, I want to reiterate the purpose of my role. It isn't to address every single point that's been made to date. Instead, it's to decide what's fair and reasonable given the circumstances of this complaint.

For that reason, I'm only going to refer to what I think are the most salient points when I set out my conclusions and my reasons for reaching them. But, having considered all of the submissions from both sides in full, I will continue to keep in mind all of the points that have been made, insofar as they relate to this complaint.

It seems to me that the main reason Mr and Mrs F are so unhappy, is their belief that Broker T lied to them. Mr and Mrs F say there is no evidence amongst the DSAR information they obtained, that Broker T was contacting lenders on their behalf past early July.

I think there may be a misunderstanding on Mr and Mrs F's part about the information that would (and wouldn't) be contained in a response to a DSAR. A fundamental premise is that a business needs to provide a copy of the individual's personal data. As such, that wouldn't include a copy of something that doesn't include an individual's personal data – such as a log of calls made to businesses.

I've seen evidence that Broker T contacted several lenders on several occasions between June and September 2024. When combined with other notes and records provided by Broker T, I'm satisfied it's more likely than not that these calls were in relation to trying to secure mortgage finance for Mr and Mrs F.

I appreciate Mr and Mrs F's perspective that their circumstances didn't change. However, I'm satisfied factors relevant to obtaining a mortgage (e.g. the sale amount of their existing property, the extent to which they were intending to repay existing debts, receipt of a monetary gift to contribute to the deposit on the new property) were at the very least fluid.

Mr and Mrs F have said that Broker T didn't give them an explanation when telling them in late September 2024 that it couldn't help. But I think Broker T did give an explanation in an e-mail sent 26 September 2024, where it explained its understanding of the situation with both lenders A and K.

I've again considered whether Broker T's can reasonably be said to have caused Mr and Mrs F a financial loss. And reached the same conclusion. I still find there were uncertainties and evolving circumstances to consider. And, the mortgage Mr and Mrs F were able to obtain with Lender K through a different broker, still looks to me to have been on a fundamentally different basis to Broker T's understanding in September 2024 (in terms of the extent to which Mr and Mrs F intended to repay existing debts).

And it remains the case that Mr and Mrs F decided to proceed with their property sale and purchase, before they'd received a mortgage offer.

However, I also still find that there were some occasions when Broker T could and should have been clearer with Mr and Mrs F about steps it was taking and how the various options had progressed. And that this caused some unnecessary distress and inconvenience.

As such, I still find that Broker T needs to pay some compensation to Mr and Mrs F, and I'm satisfied that £200 represents a fair amount and in line with our approach to compensation awards.

My final decision

My final decision is that I direct Openwork Limited to pay Mr and Mrs F £200 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F and Mrs F to accept or reject my decision before 23 February 2026.

Ben Brewer
Ombudsman