

The complaint

Miss C complains that HSBC UK Bank Plc (HSBC) and its solicitors caused a significant delay in her remortgage due to the mishandling of a transfer of title, which resulted in financial loss and emotional distress.

What happened

Miss C took out a mortgage with her ex-partner in September 2022, for which the fixed rate expired in October 2024. At this point, Miss C wanted to transfer the title by removing her ex-partner and adding her brother. The ownership percentages were not going to be equal between Miss C and her brother, so she also required an agreement to reflect this. HSBC was aware of the situation regarding the transfer of title.

Miss C says that HSBC recommended that she used its solicitors rather than get her own solicitors and assured her that they could carry out all of the necessary work. Although the solicitors were given all the information about the work required in November 2024, it wasn't until Miss C contacted them in December 2024 that she was told they couldn't prepare the agreement and that she would need to find another firm to draft this. Miss C says that this also meant that she had to source another solicitor to prepare the agreement in the run up to Christmas, which she says took around another month. Miss C says that this caused severe delays and that the process took five months.

Throughout this period, Miss C remained on the standard variable rate (SVR), which meant that she lost out financially. She also says that the prolonged duration of the remortgage process caused her emotional distress and has left her feeling vulnerable and anxious.

Miss C also says that she has lost out financially as the solicitors miscalculated the final bill and omitted key aspects of the Land and Buildings Transaction Tax (LBTT), which resulted in them sending her an unexpected additional bill of almost £1,500. She also complains about the conduct of the solicitors towards her, as she says that they were rude and unprofessional. Miss C also says that the solicitors breached GDPR by sending her financial details to a third party.

HSBC accepted that Miss C had experienced a poor service with the solicitors in respect of the information provided regarding the need for independent legal advice around the ownership shares and that there had been poor communication. In respect of the delay, it noted that this was not a straightforward remortgage and involved a transfer of title which made things more complex. However, it agreed to compensate Miss C in respect of a delay amounting to eight weeks for the issues raised. In this regard, HSBC calculated the difference between what Miss C was paying in interest on the SVR over the eight-week period and what she would have paid on the new rate had the remortgage completed earlier, which amounted to £978.32.

HSBC says that the solicitors confirmed that they would normally have informed a customer of the LBTT amount in the pre-completion statement and that this could have been handled more smoothly if payment had been deducted from the funds at completion. It was an error that this had not been done in Miss C's case and, as a gesture of goodwill, the solicitors had discounted the bill by £25. HSBC recognised that it would have been distressing for Miss C to be presented with a bill that she was unaware of. Overall, HSBC offered to pay Miss C £300 in respect of the distress and inconvenience caused.

I have previously issued a decision setting out that this Service has no power to look into part of Miss C's complaint, regarding the separate agreement between her and her brother, the tone of the conversation she had with the solicitor and the breach of GDPR, as these do not fall within my jurisdiction. As set out in my earlier decision, this Service is able to consider the complaint in respect of the delays, communication and provision of information by HSBC and the actions of the solicitor when carrying out HSBC's instructions for the remortgage.

Our Investigator looked into Miss C's complaint and, in respect of the issues for which HSBC was responsible, she did not think that HSBC had acted fairly. She thought that poor communication and errors in the process materially added to the timescales, costs incurred to Miss C and overall distress she experienced. The Investigator was satisfied that these issues had prolonged the transfer of title process and caused Miss C avoidable worry and effort to try and progress things quicker. She also found that the miscalculation of the LBTT and sudden demand for additional payment contributed to the stress Miss C was already experiencing. Overall, the Investigator thought that HSBC's offer to refund the difference between the SVR and the rate Miss C would have been on had the transfer of title happened on time was fair and reasonable. She also recommended that HSBC increase the compensation to £500 for the distress and inconvenience caused.

Miss C disagrees with this, so the case has come to me to make a decision. She says that the compensation offered is not adequate. She says that although the mortgage completed on 14 March 2024, the billing and registration of title was not completed until mid-April, which meant the time for the whole process was over 20 weeks. She says that the Investigator has not taken into account HSBC's knowledge at the outset regarding what was required and that early failures prolonged the overall duration of the remortgage.

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 looked at the evidence, I agree with the Investigator's view for broadly the same reasons and I've explained my reasons further below.

I've given careful consideration to all the submissions made by both parties, but I won't address each and every point that has been raised. I'll focus on the matters that I consider most relevant to how I've reached a fair outcome in keeping with the informal nature of our Service.

Miss C went through the application process for the remortgage at the beginning of October 2024. It is accepted by both parties that she made HSBC aware that she would need a separate agreement between her and her brother, in addition to the transfer of title. Likewise, it is accepted that the mortgage adviser told Miss C that it would be more efficient for her to use HSBC's solicitors as it would avoid having two separate solicitors and the costs for HSBC's solicitors would remain even if she appointed an alternative solicitor.

I can understand why Miss C chose to proceed with using HSBC's solicitors in the circumstances, as she was under the impression that they would be able to carry out all the work that was required, given that HSBC was aware of what she required in terms of both the transfer of title and the separate agreement. I am satisfied that Miss C agreed to appoint the same solicitors as HSBC on this basis.

In terms of the timeline, the mortgage offer was issued on 28 October 2024, and HSBC instructed the solicitors in respect of the remortgage on 29 October 2024. On 3 November 2024, the mortgage questionnaire was completed by Miss C and sent to the solicitors. On 4 November 2024, Miss C followed this up by emailing the solicitors to confirm that in addition to the transfer of title, she required an agreement regarding the ownership

and entitlements. She made further enquiries with the solicitors in this regard but received no response. It was only when she was contacted on 3 December 2024 by the solicitors having sought an update that she was told that they couldn't provide the separate agreement and that she would need to find another solicitor to carry out this work. Ultimately, the certificate of title was received by HSBC on 12 March 2025 and the mortgage completed on 14 March 2025.

As Miss C's remortgage also required a transfer of title, this involved additional legal work compared to a simple remortgage, for which HSBC says the usual timeframe would be between four and eight weeks. HSBC has said that given the additional work required, Miss C's remortgage would have taken longer and somewhere closer to ten weeks would have been an appropriate timeframe for the remortgage to be completed.

HSBC has acknowledged that this contributed to the delays in progressing the transfer of title and that Miss C remained on the SVR during this time. It has agreed to cover the difference between the SVR and the new rate for an eight-week period, which would put Miss C back in broadly the same financial position she would have been in had the remortgage completed eight weeks earlier than it did.

I am satisfied that this is fair and reasonable in the circumstances. Whilst the mortgage adviser was aware of Miss C's requirement for separate agreement, I wouldn't necessarily expect him to have been aware that HSBC's solicitors wouldn't be able to deal with the separate agreement, as he was not a lawyer himself. However, once the solicitors were instructed at the end of October 2024, if all of the information had been provided and it had been checked as to whether they could carry out the necessary work, then I think this would have avoided some of the delay. Likewise, if the solicitors had acted on Miss C's email and enquiries about the agreement in November more promptly, this would also have avoided some of the delay.

So, whilst Miss C would always have had to instruct her own solicitor to prepare the separate agreement, this process could have been started earlier if HSBC and its solicitors had engaged with what was required earlier. Whilst Miss C says that it took almost a month for the new solicitor to prepare the agreement, this would always have been the case to some extent. The process would just have been started earlier. So I can't hold HSBC responsible for the delay in respect of its solicitors awaiting the independent legal advice for the agreement between Miss C and her brother.

Given that the offer was only issued on 28 October 2024 and the solicitors instructed the following day, I think that this is the earliest Miss C could have instructed her own solicitors. Miss C was made aware on 3 December 2024 that she would have to instruct her own solicitor for the separate agreement. I can see that she notified the solicitors on 6 December 2024 that she was arranging the agreement with a specialist law firm and, in response to an email about timescales, she advised on 8 December 2024 that the separate agreement would be completed in January 2025. So it appears that she had instructed a new solicitor by this time, just under six weeks after HSBC had instructed the solicitors. I note that HSBC factored in additional delay when agreeing to compensate Miss C for the delay due to poor communication. Overall, I think HSBC's offer to compensate Miss C for the difference in interest in respect of eight weeks' delay is fair and reasonable.

In addition to the financial loss in remaining on the SVR, I can also appreciate that the delay caused Miss C distress and inconvenience. She had to repeatedly chase for updates on the progress of the transfer of title and it was only as a result of doing this that she found out that she had to instruct a new solicitor. I also note that one of the reasons she initially used the same solicitors as HSBC was because it would make the process more efficient, however, this turned out not to be the case, which inevitably made the process more stressful than it needed to be.

I have also considered the fact that on 1 April 2025, the solicitors contacted Miss C to advise that the LBTT of £1,453 needed to be paid within 30 days of completion, which was 11 April 2025. HSBC has accepted that there was an error in this regard. Whilst Miss C would always have been required to pay the LBTT, I can appreciate that it came as a shock to be told of this additional bill when this was unexpected and should have been included in the pre-completion statement. This is particularly in light of the previous issues Miss C had had with the solicitors.

I have considered what Miss C has said about the amount of £500 not being adequate. However, I am satisfied that this is fair to recognise the distress and inconvenience caused to

Miss C in this case and is in line with our approach as set out online. This also incorporates the issues Miss C has raised in respect of how her complaint was handled by HSBC.

Putting things right

For the reasons set out above, I uphold this complaint and require HSBC to:

- Pay Miss C £978.32, which represents the difference between the SVR and the new rate for a period of eight weeks (if this has not already been paid).
- Pay Miss C £500 in respect of the distress and inconvenience caused (including the £300 already offered if this has already been paid).

My final decision

For the reasons I've explained above, I uphold this complaint against HSBC UK Bank Plc and require it to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 29 April 2026.

Rachel Ellis
Ombudsman