

complaint

Mr K is unhappy with the service he received from London and Country Mortgages Ltd ("L&C") when he was arranging a mortgage to buy his home.

background

Mr K was arranging a mortgage through L&C. The lender made it a condition of the mortgage that Mr K download and use its app.

A mortgage offer was issued on 27 August 2018 and that said *"You must download the [lender] app and use this to view and accept the terms and conditions in addition to legal documents that your solicitor will require you to sign."*

As Mr K hadn't accepted the terms and conditions via the app, the lender sent an email to L&C on 10 September 2018 to chase it up. L&C says it didn't receive the email.

Mr K didn't accept them until 21 September which delayed the solicitor being able to submit the certificate of title ("COT"). There were then mistakes on the COT which I won't be dealing with here as they've been the subject of a separate complaint against the lender. But all this together led to Mr K missing his completion date of Friday 28 September, instead completing on Monday 1 October. He says he had to book and pay for accommodation for the weekend as he had to move out of his rented property on the Friday.

Our adjudicator thought L&C did receive the email and caused Mr K inconvenience when it didn't act on it. She said Mr K also had responsibility though as it was in his mortgage offer. For that reason she didn't think L&C needed to cover Mr K's accommodation costs, but she did think it should pay £100 in respect of the distress and inconvenience caused.

L&C didn't agree and so it's been passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I trust Mr K and L&C won't take it as a discourtesy that I've condensed this complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint.

I don't doubt that this is very important for both sides but although I've read and considered the whole file I'll keep my comments to what I think is relevant. If I don't comment on any specific point it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome.

As I said, I'm not dealing with the COT issue here as that was dealt with as a separate complaint against the lender. I'm just looking at L&C's involvement and whether it did enough to assist its customer, Mr K.

L&C has said it has no record of the email being received, and said it discussed it with the staff involved. It said *"There could be any number of reasons for an email not reaching its intended destination and we have seen plenty of examples of this from both clients and other organisations we deal with via email and the simple fact that it was sent does not guarantee receipt."*

It's concerning that L&C has seen so many examples of emails not being received. I can only suggest it investigates that as it's not normal. It's fairly unusual that a correctly addressed email isn't received, especially one from a 'regular' sender so would be unlikely to be automatically diverted to a spam/blocked folder.

Having considered the evidence from the lender and the reliability of emails generally, I think it most likely – on balance – that the email was sent by the lender and received by L&C. What then happened to it is a matter for L&C to investigate, but I'm satisfied it most likely was received.

All that said, I agree with our adjudicator that Mr K had the responsibility here to check his mortgage offer and ensure he followed the instructions in it. So I don't find L&C are liable to cover his accommodation costs due to the delayed completion. But I do think the service fell below what I'd expect. L&C could have done more to ensure its customer understood what he needed to do, and to follow that up when it was notified by the lender that Mr K hadn't accepted the terms and conditions via the app. Awarding compensation for things like this isn't an exact science; by nature it's a subjective judgement. Overall, I think the adjudicator judged things well here when she assessed fair compensation at £100.

my final decision

I uphold this complaint. In full and final settlement, I order London and Country Mortgages Ltd to pay Mr K £100 compensation. I make no other order or award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 24 April 2020.

Julia Meadows
ombudsman