

complaint

Miss J complains that Cheapquotes submitted mortgage applications on her behalf without her knowledge or consent. She says that, as a result of this, a lender has registered a CIFAS notice against her stating that she has attempted to commit mortgage fraud.

background

In July 2011 Miss J discussed mortgage finance with Cheapquotes, with a view to raising money to purchase commercial property. Agreements in principle were obtained for a residential mortgage (from Lender H) and a buy-to-let mortgage (from Lender A). Lender H subsequently declined the residential mortgage, so a second application was submitted to Lender A, this time for a residential mortgage.

Cheapquotes acknowledges that it entered some incorrect information on the application form. It emailed Lender A to inform it of this.

Lender A subsequently declined to offer a mortgage to Miss J – either buy-to-let or residential – and registered a CIFAS entry against her name. (CIFAS is a system for preventing fraud. It allows member organisations to exchange details of applications for products or services which are considered to be fraudulent because the information provided by the applicant fails verification checks).

Cheapquotes says that its discussions with Lender A do not lead it to conclude that it was the incorrect information which led to the CIFAS entry.

Miss J says that she was never provided with any documents for the residential mortgage application to Lender A. She says that she did not sign the application form and believes her signature has been scanned from the commercial mortgage application.

Miss J complained to Cheapquotes and to Lender A, both of which have rejected her complaint. Miss J says: *"I have also complained to [Lender A] who has also rejected my complaint and appears to have ignored the actions of [Cheapquotes], believing him to be innocent in this matter."*

A complaint against Lender A was raised with us but does not appear to have been pursued any further by Miss J.

Our adjudicator considered the complaint but didn't recommend it should be upheld. He was satisfied that the application for the residential mortgage to Lender A was made with Miss J's knowledge and consent.

Miss J maintains that the application was made without her knowledge or consent. She is adamant that she signed only a commercial mortgage application through another broker (who introduced Cheapquotes to Miss J), and that her signature was scanned from this onto the documentation for Lender A.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I should first explain that I am considering only a complaint about the residential mortgage. I have no power to consider a complaint against Cheapquotes in relation either to commercial or buy-to-let mortgages, which are unregulated. The Financial Ombudsman Service can only consider complaints against mortgage brokers in respect of regulated mortgage products.

Miss J's position is that her signature on the residential mortgage application to Lender A was copied or scanned from a document she signed with another broker. She says that the application was made without her knowledge or consent, and was fraudulent. But I've compared the signatures on the two documents, and they are not identical. They are similar enough that they appear to have been signed by the same person. On balance, I'm satisfied the signature on the declaration submitted to Lender A is not a scan of Miss J's signature on the document signed with the other broker.

I note that Miss J paid a valuation fee for the application, which is persuasive that she was aware it had been made. I also note from the email exchanges between Cheapquotes and Lender A that Miss J, despite having lived at her address for over 11 years, doesn't appear to have been on the electoral register. So it may well be that this also had a bearing on Lender A's decision to register the CIFAS entry. But that's a matter for Lender A and is not something I can make any finding on here.

Overall, I'm not persuaded that the application to Lender A was made without Miss J's knowledge or consent, either unwittingly or fraudulently, by Cheapquotes.

my final decision

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

Jan O'Leary
ombudsman