

complaint

Mr S complains about the customer service of Connells Limited when he applied for a mortgage on a Help to Buy (HTB) property.

background

In 2014 Mr S consulted Connells about a newbuild property he wanted to buy under the HTB scheme. Connells submitted a mortgage application on his behalf, but the purchase did not proceed because the property did not meet his criteria as to no service charges and the ability to build an extension.

Mr S then secured another property under the same HTB scheme, but Connells could not get a new mortgage for him until the previous mortgage offer had expired at the end of January 2015. There was also a delay in the address of the property being confirmed and the authority to proceed form being completed.

Mr S complains that Connells was responsible for the delay, which resulted in an increase of £6,000 in the purchase price as he did not meet the deadline for exchange of contracts. He also says he incurred further expenses, including travel and telephone costs, an administration fee of £199 and additional legal costs.

The adjudicator did not think that the complaint should be upheld, because the delays were not due to Connells. He also thought that the £150 offer by Connells for its overall customer service was fair and reasonable. Mr S did not agree.

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've taken careful note of Mr S's further comments since the adjudicator's letter.

I have considerable sympathy with Mr S over the stress caused over his property purchase. However, I do not think that the delays were caused by Connells. It could not submit a fresh mortgage application until the first mortgage offer (for the first property) had expired. The second property Mr S wanted to buy was also a newbuild and did not have address assigned to it till January 2015. There was also a delay in the housing association in issuing the authority to proceed form – which then had to be forwarded to the HTB agency.

In my view it was not Connells' fault that Mr S could not exchange contracts in time for the deadline. I accept that it is extremely unfortunate that the developer raised the purchase price by £6,000 when there were good reasons for Mr S not being able to meet the deadline. There is a suggestion that Mr S may have delayed instructing his solicitors, which may have added to the delay.

Connells accepts that there were some failings in its overall communications, for which it has offered £150. I think that a fairer award for trouble and upset would be £250.

my final decision

My final decision is that Connells Limited should pay Mr S £250 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 April 2016.

Charles Sweet
ombudsman