

The complaint

Ms A has complained that in 2017 she received unsuitable mortgage advice from an appointed representative of First complete Ltd trading as PRIMIS Mortgage Network and referred to here as PML.

Specifically Ms A says that she'd wanted to reduce her mortgage balance by £60,000 but was advised by PML not to do so. As a result, Ms A says her mortgage balance is much higher than she wanted, resulting in her being charge extra interest and having to make higher monthly repayments.

To settle the complaint Ms A wants PML to compensate her for her financial losses.

What happened

I do not need to set out the full background to the complaint. This is because the history of the matter is set out in the correspondence between the parties and our service, so there is no need for me to repeat the details here. In addition, our decisions are published, so it's important I don't include any information that might lead to Ms A being identified. So for these reasons, I will instead concentrate on giving a brief summary of the complaint, followed by the reasons for my decision. If I don't mention something, it won't be because I've ignored it; rather, it'll be because I didn't think it was material to the outcome of the complaint.

In 2015, after taking advice from PML, Ms A took out a mortgage to purchase a property, borrowing £242,000 over a term of 35 years on a capital repayment basis. The mortgage was on a two-year fixed interest rate product which expired on 30 November 2017.

In October 2017 Ms A asked PML to arrange a new mortgage for her. By this time the mortgage balance was around £230,000. Ms A wanted to reduce the mortgage term to 25 years. PML recommended a mortgage on an interest rate product of 1.94% fixed until 2 January 2023, which would give Ms A a monthly repayment of just under £1,000, within her stated budget.

On 17 October 2023 Ms A contacted PML to make a complaint. She said the initial advice to take the mortgage over a 35-year term was unsuitable.

In relation to the 2017 advice, Ms A said that she'd asked about making a one-time payment of £60,000 in order to reduce the mortgage balance and her monthly outgoings, but was advised against it. Ms A says the advice she received was "*egregiously subpar*" and has resulted in her incurring substantial costs.

The adviser was contacted in 2023 by PML. He confirmed he had no specific recollection of the matter, but that he "*categorically wouldn't have said don't make the overpayment*".

PML didn't uphold the complaint so Ms A brought it to the Financial Ombudsman Service.

At this point PML said that it didn't consent to us looking at the complaint about the advice given in 2015, saying it was out of time. An Investigator looked at what had happened. He was satisfied the complaint about the 2015 advice was time-barred under our rules.

In relation to the complaint about the 2017 advice, the Investigator didn't think it should be upheld. He was unable to find any evidence amongst the documentation that showed Ms A had ever discussed reducing the mortgage balance by £60,000.

Ms A asked for an Ombudsman to review the Investigator's findings. During a call with the Investigator Ms A was insistent that she'd discussed reducing the mortgage by £60,000 but was dissuaded from doing so by PML.

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.

In relation to the 2015 advice, I have already issued a decision explaining that this part of the complaint is outside the jurisdiction of the Financial Ombudsman Service. I will therefore make no further comment on this.

The crux of the complaint is that Ms A says she repeatedly discussed with PML reducing the mortgage by £60,000 but was advised not to do so. PML says that if there had been any discussion of this, it would have been recorded in the documentation.

Where the evidence in a complaint is contradictory or incomplete, I have to decide, on the balance of probabilities, what I think is most likely to have happened, based on the available documentary evidence.

I've reviewed the documentation from 2017 when Ms A re-mortgaged. This includes the emails between Ms A and PML, the fact-find, the letter of suitability and the mortgage illustration for a new mortgage of £230,000. The benefit of this documentation is that it is contemporaneous – that is, it was created or compiled at the time of the events complained of. I'm therefore satisfied that I can rely on the documentation as being an accurate record of what was discussed at the time.

I've read through all the documentation provided by both Ms A and PML. Ms A has provided us with the results of her Data Subject Access Request made to PML, so I am satisfied that all the available documentation is before me.

There is no mention anywhere in the documentation from 2017 that Ms A discussed with PML reducing the mortgage balance by £60,000. The first mention of this is the email from Ms A dated 17 October 2023, when she initially raised her complaint with PML.

If reducing the mortgage by £60,000 had formed part of the discussions between Ms A and PML, I would have expected to have seen the following:

- reference to reducing the balance by £60,000 in the fact-find;
- reference to this in the letter of suitability along with advice about why the adviser did, or did not, consider this to be in Ms A's best interests;
- a mortgage illustration for a new mortgage of £170,000, rather than (or alongside) the illustration for the £230,000 mortgage;
- a comparison from the adviser of the two mortgages, showing the cost of each over the term.

However, there are none of those in the documentation. The absence of any reference to a lump sum reduction of £60,000 anywhere in the contemporaneous documentation from 2017 is sufficient to persuade me that this did not form part of the advice PML was asked to provide.

In fact, the letter of suitability, based on the information provided by Ms A, says that she has no plans to repay all or part of the mortgage in the foreseeable future. The fact-find also has a question "*Do you have any other policies/investments/savings?*" and the 'No' box has been ticked. Ms A has since provided us with evidence of savings accounts she had in 2016/2017, but it doesn't appear that PML was told about these, as otherwise I'm satisfied they'd have been recorded on the fact-find.

I've noted Ms A is adamant that she discussed making a £60,000 lump sum reduction to the mortgage with PML, and I'm not disputing the veracity of what she's told us. However, this isn't borne out by the contemporaneous documents. Given this, I attach more weight to the documentary evidence from 2017 than Ms A's claim, first raised with PML in October 2023, that it was discussed in 2017. In the circumstances, I'm unable to find that PML did anything wrong in 2017 in recommending a £230,000 five-year fixed rate capital repayment mortgage over a 25-year term.

My final decision

My final decision is that I don't uphold this complaint.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any discussion about it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 1 October 2024.

Jan O'Leary
Ombudsman