

The complaint

Mrs A said when she got a mortgage offer from Lloyds Bank PLC, it also persuaded her to use its conveyancers. Mrs A complains about those conveyancers, she said they caused the failure of her intended property purchase. And she felt Lloyds should accept responsibility.

What happened

Mrs A told us that she wanted to buy a property, and she would need a small mortgage to buy. She got a mortgage offer from Lloyds.

Mrs A said Lloyds also convinced her to use its conveyancers, and Mrs A said that was where everything went wrong. She said the conveyancers just wouldn't get in touch with her, and she found it very difficult to contact them. She said the conveyancers told her the purchase would complete in September (although Mrs A apparently hadn't exchanged contracts at this point) so Mrs A gave notice on her rented property. She said the purchase wasn't ready by then, instead the conveyancers said they weren't ready to complete and there were a lot of problems with the property and paperwork.

Mrs A said she had no choice but to withdraw from the purchase in October. She said that had a huge effect on her health, and caused great upset. She told us she then had to borrow money from family, in order to buy a different property.

Lloyds said it was very sorry to hear about what had happened, but it didn't think what had gone wrong here was its fault. Lloyds said it wasn't responsible for what the conveyancers did. They were an entirely separate firm, and they themselves were responsible for the service provided to Mrs A.

Lloyds said Mrs A didn't have to use its conveyancers, and could have chosen her own conveyancer if she'd preferred. It said it had sought to offer her its support when she'd said she was unhappy with the service these conveyancers provided, and it was disappointed to hear about the service she'd received. It had passed that feedback to the manager in charge of its conveyancing panel. It had also asked the conveyancers to open a complaint for Mrs A. Lloyds said it wouldn't do any more than that.

Our investigator didn't think this complaint should be upheld. She also thought Lloyds wasn't responsible for what the conveyancers had done. She didn't think Lloyds had delayed in issuing Mrs A's mortgage offer, and it hadn't guaranteed the process would be completed by the end of September.

Our investigator said Lloyds had shown us that the firm providing conveyancing to Mrs A was independent of Lloyds, and that she was told this when she was given a quote for conveyancing. So our investigator said she couldn't reasonably hold Lloyds responsible for actions or omissions by an independent third party. Our investigator didn't think she could conclude Lloyds had acted unfairly or unreasonably.

Mrs A wrote to us again, detailing the ways in which she'd been led to believe that this was a service Lloyds provided. She said this service was badged as "*Lloyds' conveyancing*". And she said Lloyds didn't act to put things right. Mrs A told us more about the effect this failed purchase had on her. She said she didn't understand how we could say that this wasn't Lloyds' fault, when it had subcontracted this work to this firm, and then its mortgage advisor stepped in to help when things got difficult (although this didn't resolve things).

Mrs A offered to send us further emails from the conveyancing firm. She wanted her complaint to be considered by an ombudsman, so it was passed to me for a final decision.

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.

I've reached the same overall conclusion on this complaint as our investigator. I'm sorry to have to tell Mrs A that I don't think her complaint should be upheld either, and for essentially the same reason as our investigator gave – the core of what Mrs A is complaining about is something that was done by a firm which is separate to, and independent from, Lloyds.

I know Mrs A has offered to send us further evidence from the conveyancing firm. But I haven't asked to see that, because I don't think it's likely to change my overall conclusion on this case.

I have been very sorry to hear about Mrs A's experience. Although I don't know for sure what went wrong in the conveyancing for the property, it is clear that she's found this aborted property purchase very upsetting indeed. And I understand why she links what happened so firmly to Lloyds. She says that this was presented to her as "*Lloyds' conveyancing*" so she'd understood it was a service Lloyds was offering to her.

But I think the documentation I've seen, including the quote which was sent to Mrs A for this conveyancing, makes clear that what Lloyds is doing, is linking its mortgage clients with a number of independent legal firms, to allow those firms to offer discounted conveyancing services to Lloyds' clients. It's clear from this documentation that these conveyancers are separate firms to Lloyds, and Mrs A is under no obligation at all to take up their services.

I know that Mrs A says this was badged as "*Lloyds' conveyancing*". It appears that this is because Lloyds provides a portal through which the purchase can be tracked, and the conveyancers on its list will use that to communicate with Mrs A. But I don't think that changes the underlying position, that the conveyancers are a separate firm who contracted directly with Mrs A to do the work on her property purchase. And I don't think that the "*Lloyds' conveyancing*" label means it would be fair and reasonable here for me to hold Lloyds responsible for everything that this separate firm did.

I would expect Lloyds to have been keen to assist Mrs A to keep her property purchase moving, if it was able to. And I can see that Mrs A's mortgage advisor did try to assist with her conveyancing problems. I'd also expect Lloyds to want to hear Mrs A's feedback on this firm, as it is one of the firms Lloyds is introducing its customers to. So I would expect Lloyds to ask Mrs A for that feedback, and I can see that Lloyds has taken that on board. It has also passed Mrs A's complaint on to the conveyancing firm itself, and I would expect that Mrs A would receive a separate response from that firm.

I think that Lloyds has done all I would expect it to do, in these circumstances. I'm sorry to have to tell Mrs A that I don't think it would be fair and reasonable for me to hold Lloyds

responsible for the failure of her property purchase in this instance. So, although I know Mrs A will be disappointed, I don't think her complaint should be upheld.

My final decision

I don't uphold this complaint.

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

Esther Absalom-Gough
Ombudsman