

---

## Final Decision F157923

---

---

Date 4 August 2025

---

### Introduction

The background to this complaint is in June 2018, Ms [REDACTED] engaged Laytons LLP (the 'firm') to facilitate the extension of the lease on her one-bedroom flat in London. On 11 December 2019, the firm confirmed to her in writing that the lease extension had been completed and that it would be registered with HM Land Registry (HMLR) that same day. Following this correspondence Ms [REDACTED] received no further updates from the firm.

In December 2021, while attempting to secure a new five-year mortgage for her property, Ms [REDACTED] was informed by her mortgage advisor that the lender could not proceed because the lease extension had not been registered with HMLR. Surprised by this, Ms [REDACTED] reached out to the firm for clarification on 21 December 2021.

The firm subsequently admitted that the lease extension had not been registered. They revealed that the Land Registry had raised requisitions in January 2020 but, because these went unanswered, the application was cancelled on 14 February 2020. The firm had failed to notice this cancellation and, as a result, did not inform Ms [REDACTED]. Upon rediscovery of the issue, the firm assured her that they would identify and address the outstanding requisitions to complete the registration process in 2022.

Ms [REDACTED] formally lodged complaints with the firm on 4 July 2022, and 6 July 2022. The firm responded on 26 July 2023, admitting to partial service failings. They offered a refund of the second retainer (£1,800 + VAT) and £5,000 in compensation, totalling £7,160. Ms [REDACTED] rejected this offer, asserting that the firm's poor service had caused her significant financial loss.

The following complaints have been accepted for investigation by the Legal Ombudsman:

- 1. The firm failed to register the leasehold correctly with the Land Registry on 11 December 2019.**

2. **The firm failed to act when they received requisitions raised by the Land Registry on 14 February 2020.**
3. **The firm failed to inform Ms [REDACTED] that the application to the Land Registry was cancelled on 14 February 2020.**
4. **The firm failed to progress the matter efficiently in the period of May 2023 to June 2023 once Ms [REDACTED] mortgage provider made her aware of the failed registration with the Land Registry.**
5. **The firm refused to finalise the new lease and submit the lease registration application until Ms [REDACTED] paid additional fees.**
6. **The firm failed to provide updates to Ms [REDACTED] from 23 March 2022 to 30 June 2022 when Ms [REDACTED] requested these.**
7. **The firm failed to respond to three emails from Ms [REDACTED] dated from 31 May 2023 to 23 June 2023 when the application to register with the Land Registry was attempted for the second time.**

In consideration of the comments received and evidence of detriment, I considered it necessary to issue a Provisional Decision on this matter as I disagreed with the remedy proposed in the Case Decision, and then a Revised Provisional Decision as my views and thoughts changed.

The firm has disagreed with my Revised Provisional Decision and provided some comments in response. Ms [REDACTED] has accepted the Revised Provisional Decision with no further comments.

### **Final Decision**

Having reflected, I have decided that the conclusions I reached and set out in my Revised Provisional Decision should remain, so I am adopting my Revised Provisional Decision in its entirety as my Final Decision. I enclose a copy for completeness. I will nevertheless address some of the comments raised by Laytons LLP (the 'firm') in their response. Where a comment has not been specifically referred to, it does not mean it has not been considered.

In the firm's comments on the Revised Provisional Decision, I note and acknowledge that the firm have accepted that there were issues with the service they provided in relation to the lease registration with HMLR and that the matters have now been resolved. The firm's further comments relate mainly to the detriment because of this poor service and the Ombudsman's view of how financially this has impacted on Ms [REDACTED]. I will summarise their views on this matter and respond accordingly. For ease I will use the same numbering and subheadings that the firm have used in their

correspondence to ensure that all issues are responded to where they are relevant to this Final Decision.

## Causation

The firm has discussed the timeframes related to these complaints and whether, had the firm properly dealt with the January 2020 HMLR registration, the new lease would have been registered in time for 13 July 2022 when the new mortgage offer expired. I note that the firm in their comments state the date was January 2021 which I assume is an error as the requisitions from HMLR were made in January 2020.

The firm have stated that there were delays which were unconnected with the firm's poor service and this in summary would suggest that it would have taken no less than 11 months to resolve the issues around title and the new lease required. The firm disagree that it would have taken 4 months for completion of the registration by HMLR, and the firm have cited the delays known in July 2023 which indicated an estimate of 25 month on HMLR portal. The firm have considered that the timelines shown in the Revised Provisional Decision have been chosen to be beneficial to Ms [REDACTED] and prejudicial to the firm.

My Revised Provisional Decision fully considers the timelines that would have impacted on the registration process. If I accept the 11 months stated by the firm to resolve issues, from when the initial contact was made by HMLR in January 2020, this would take the resolution of the issues to December 2020 and then registration would follow. The key date here is the date where the financial impact became a factor, and this date as discussed above is 13 July 2022. As fully discussed in my Revised Provisional Decision, I consider it reasonable to assume that between January 2020 and July 2022, there was adequate time to resolve the matter and get registration completed.

In terms of expedition and the suggestion made in the Revised Provisional Decision that the firm could have used this as an option, the firm have outlined the eligibility criteria and have stated that the grounds to expedite were not there in December 2020. I accept that this may have been refused but this does not change my view on this decision for the reasons set out in the previous paragraph above in that there was adequate time to resolve the matter and get registration completed. My Revised Provisional Decision has considered this aspect fully and I consider it reasonable to assume that if the registration was made in December 2020, the matter would have been registered by the time the new mortgage offer expired in February 2022.

The firm in summary have stated that the '*absolute certainty*' that the Ombudsman has used to state that but for the firm's failings, the new lease would have been

registered in time of 13 July 2022 is *'irrational and unreasonable because it is not supported by evidence and closes its eyes to all the evidence to the contrary.'* The firm in making this statement has relied on the 25-month estimate provided by HMLR in 2023.

As I have fully discussed in my Revised Provisional Decision, I disagree with the firm on this point and do not consider my view to be irrational and unreasonable. The basis of my decision is fully outlined, and I have used the firm's own correspondence as evidence in this matter where they stated at the time that the HMLR website gave a timeline of 4 months. I have outlined in my Revised Provisional Decision the overview of the timelines which I consider to be reasonable in this matter and they are based on the firm's own statements which confirm the following timelines:

- The firm would have brought the title defect to the landlords' attention in January 2020
- The same 8 months at the very least (until September 2020) would have been necessary for the landlords to resolve the title issue
- A further 3 months would have elapsed in negotiating and completing the new lease, expiring December 2020

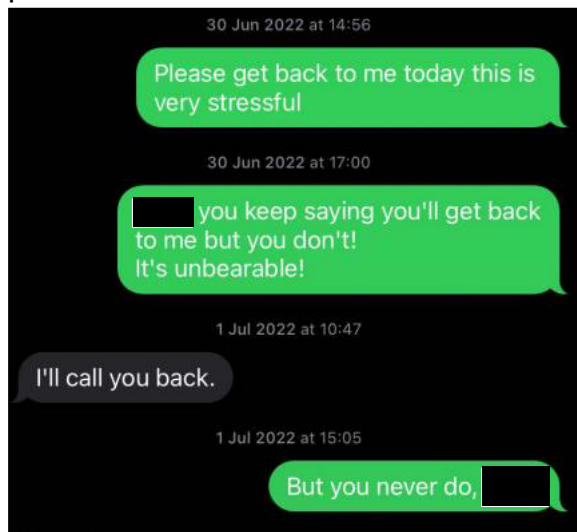
In my Revised Provisional Decision, I make the assumption that the application to HMLR to register the new lease would have been the same month (December 2020), I did not agree that it is reasonable to allow for 25 months for the Land Registry to register the lease. The firm have themselves stated the HMLR's website indicated 4 months, so the firm's argument is not supported by their own correspondence to the mortgage lender. It is further noted that the actual timeframe taken when the lease was submitted to HMLR was 1 month: the forms were sent to HMLR on or around 29 June 2023 and it was confirmed that registration was made by 4 August 2023.

I am satisfied that the evidence and related timeline shows it is reasonable to assume that if the registration was made in December 2020, the matter would have been registered by the time the new mortgage offer expired in February 2022. I further note that the evidence demonstrates that once registration did go ahead, Ms [REDACTED] swiftly moved onto a new fixed mortgage, showing that the registration was the only obstacle in her being able to move products successfully and was clearly the issue in this matter.

### **Other Concerns**

1. The firm have challenged the award of £2,000 for stress and distress and consider that it is punitive and unjustifiable.

The basis of my awarding £2,000 is clearly outlined in the Revised Provisional Decision and whilst on the high end, I consider that it is necessary because even when the firm realised their error and were in the process of resolving the issues with the lease, they still did not respond to Ms [REDACTED] and keep her updated despite her repeated contacts made with them. The emails that Ms [REDACTED] sent show her frustration and upset and the firm did not respond to these emails and did not keep her updated on progress leaving her with no clear view of when the matter would be resolved or reassurance that the firm were dealing with the matter as a priority. The evidence shown at pages 22-31 of the Evidence Bundle show text messages and emails where Ms [REDACTED] pleads for updates and chases promises of letters that were not sent or a call back from the firm:



I also have to consider that financially Ms [REDACTED] was struggling to pay a mortgage at a much higher rate than she had expected, and this would have added to her stress and distress as she states in her email to the firm of 31 May 2023:

[REDACTED] has mentioned the possibility of fast tracking my application on the basis of the considerable hardship I am suffering. I very much hope this will be possible as I am still unable to secure a mortgage deal at this point and forced to pay a horrifying standard variable rate each month. I've heard there could be delays of up to two years now registering a lease and this is simply not an option for me and my family.

It is the firm's poor handling of the situation that has led to a level of compensation which is on the high end, but which I consider to nonetheless be appropriate due to the impact that the firm's poor service had on Ms [REDACTED]

2. The firm considers sections 1-7 of the Revised Provisional Decision unnecessarily prejudicial and considers that they exaggerate the firm's culpability.

I have to advise that the complaints to be investigated are agreed at the start of the investigation process and were formally notified to the firm on 24 September 2024. Each complaint heading was discussed and the firm asked to provide

evidence or explanations. I do not see any evidence that the firm raised issue at the start of the process with the agreed complaint headings or suggested they were prejudicial.

3. The firm is of the view that Complaint 6 which discusses the text messages sent by Ms [REDACTED] do not justify why this method of communication was acceptable. The firm state they have no facility for receiving text messages and did not know of their existence. The firm consider that Ms [REDACTED] should have escalated the matter to the firm earlier and do not agree that this particular issue should be used to increase the award given for stress and distress.

This matter is fully discussed in the Revised Provisional Decision. At 6.4 I have stated that as the firm's representative responded to text messages then it is reasonable for Ms [REDACTED] to assume this was acceptable. Ms [REDACTED] is not responsible for the firm's internal issues with methods of communication being used by their representatives.

4. The firm have stated the Ombudsman's understanding of the issue at 4.6 is incorrect and the date on the paperwork was shown as 4 March 2022 and not 4 March 2023.

I accept the error on the date stated but this does not change my view on complaint 4.

5. In respect of the fees charged for the work to be carried out on the rework of the lease, the firm state that the Ombudsman's view is unfair and the firm were entitled to seek payment for the additional work to resolve the matter. The firm accept that the fee issue should have been raised with Ms [REDACTED] earlier but that it is wrong to suggest that the firm were improperly claiming payment for work it had already been paid for.

In respect of fees, my Revised Provisional Decision does acknowledge that additional fees were required but they should be notified to the client before they are charged and there was no basis for the charge provided and no billing statement. It is for this reason that the partial fee refund has been awarded.

6. The firm are critical of the Ombudsman not giving the firm credit for the gesture of goodwill they gave related to fee reimbursement.

The firms' offers were clearly stated in the introduction of the Revised Provisional Decision.

7. The firm state that the Revised Provisional Decision is incorrect in its statement that the initial queries raised by HMLR were made in December 2019 and state that the requisition was made in January 2020.

This error is accepted but does not change my views.

8. The firm do not consider that the impact of the Covid-19 pandemic is not accounted for in the Land Registry backlog and the impact that this had on the delays in this matter and consider the conclusions in the Revised Provisional Decision are wrong.

The timelines are fully discussed in the Revised Provisional Decision and account is taken of the impact of Covid-19 and the HMLR backlogs.

9. In terms of the compensation calculations, the firm have challenged the use of the 5-year term of the mortgage and suggest that other shorter options could have been taken by Ms [REDACTED] such as a 1, 2, or 10-year mortgage option.

The financial loss has been fully outlined in the Revised Provisional Decision, and I have to put Ms [REDACTED] back into the position that she would have been in should the firm's service been reasonable and this relates to her favourable 5-year mortgage term.

10. The firm have asked for an explanation of the change of address for Ms [REDACTED] and have asked if the Ombudsman has satisfied that the mortgage over which the sanction is imposed is still on the same address and if there is an explanation for the change of address. I have to advise that is not necessary or appropriate for the Ombudsman to question a change of address as long as they are assured that the mortgage is still on the address to which the remedy relates. Ms [REDACTED] has provided a mortgage statement to confirm that the payments are still being made relate to the address upon which the mortgage was taken out which I have included with this Final Decision.

11. The firm have stated that Ms [REDACTED] uses the term 'we' in her correspondence and ask to whom the plural pronoun refers as they do not consider it fair if the compensation was paid to anyone but Ms [REDACTED]

Any payment is made to Ms [REDACTED] in this matter and the paperwork related to the mortgage and loss is in her sole name.

12. The firm have highlighted that in law it would not be possible to hold the firm responsible for the unforeseeable vagaries of the mortgage market. The firm highlight that the Ombudsman, although not bound by legal principles, is required

to take them into account but there is no evidence that the Ombudsman has done so in arriving at the conclusions reached.

The role of the Ombudsman is to look at service issues and not give a legal view on any matter unless it is a view that is evidenced to be part of the poor service i.e., if incorrect legal advice is given where there is evidence to show that it was incorrect.

The issues that the firm raise in respect of the mortgage market is a secondary issue and the Ombudsman's focus is on the service failing and the resulting detriment that arose as a consequence of that failing. Whilst this is unfortunate for the firm who have no control over the markets, changes in financial markets are not unusual that it would be unfair to hold them to a remedy that correctly reflects the financial detriment that Ms [REDACTED] suffered as a result of their poor service.

## **The amount of compensation**

### *Causation*

The firm state that that is it fundamentally wrong to not acknowledge at least the possibility that the deadline may have been missed. The firm suggest that the compensation should be discounted to take account of this. The firm suggest a court could consider this a 'loss of chance' and discount the damages awarded and the Ombudsman should take the same approach.

The Ombudsman is not a court and considers the impact of poor service at which there is clearly a significant impact on Ms [REDACTED] as a result of the poor service over which she had no control. I do not accept that therefore she has to only have some of the financial impact considered rather than all of it when we have evidence of the actual loss which has been suffered by Ms [REDACTED]

### *Stress and inconvenience*

The firm state the award given seems punitive and exceeds those set out in the Ombudsman's rules.

I have already responded to this challenge and the Revised Provisional Decision is clear why the payment for stress and inconvenience is very significant and reflects not just the failure to register the matter with HMLR but also the firm's continued poor handling of the matter afterwards and its resulting personal impact on Ms [REDACTED] Ms [REDACTED] has clearly suffered great distress and inconvenience as a result of the firm's poor service and I consider this has to be recognised appropriately.

## Fees

The firm have accepted that these were not agreed in advance but highlight that they carried out considerable extra work and was entitled to payment for this work. They state the disallowance of these fees is grossly unfair and unreasonable.

This matter has already been responded to and the reduction in fees is given rather than a full fee refund. In making the reduction I consider this takes into account that the firm had to do additional work but I also have to consider that Ms [REDACTED] was totally taken by surprise by the charges that were made by the firm and they should have advised her at the outset that further fees would be incurred in resolving the issues that arose in registering the lease. As I stated in my Revised Provisional Decision, it was reasonable to assume that the firm would have had to do further work when the lease issues were established and that at that point should have advised Ms [REDACTED] that additional fees would be required. The firm gave no indication of these costs to Ms [REDACTED] before they requested them and the firm has provided no basis for the charge that they made and no billing statement. It is for these reasons that I am refunding 50% of these fees to Ms [REDACTED] the sum of £1,080 (inclusive of VAT).

The firm's final comments are about the Ombudsman process, and they highlight the time taken to get to this point, the fact that unreasonable time limits were imposed by the Ombudsman, that unnecessary time and resource has been spent in investigating complaints which the firm had already admitted and that the Ombudsman's handling of the matter has been confusing.

I do not consider that it is appropriate for procedural issues to be considered as part of this Final Decision and would suggest that if the firm are unhappy, they make a formal service complaint which would be looked at separately. Information on this can be found on our website at:

[If you are unhappy with the service we have provided | Legal Ombudsman](#)

This Final Decision is given to recognise that the firm have given poor service related to their registration of the leasehold, their failure to respond to queries from HMLR, their failure to progress the matter once the issues became known and their failure to respond to Ms [REDACTED] and keep her updated.

The remedy awarded in this matter is a total of **£48,957.98**:

- Payment of financial loss related to higher mortgage payments £45,877.98
- Reimbursement of fees £1,080 (inclusive of VAT)
- Compensation for stress and distress £2,000

**Therefore, my final decision is that there has been unreasonable service that requires a remedy and direct that the firm pay the sum of £48,957.98.**

I have asked Ms [REDACTED] to let us know what her decision is by 18 August 2025. We will then let you know whether Ms [REDACTED] has accepted or rejected my decision and what that means for your firm.

If the decision is accepted, we will require you to take the actions I have directed within 10 working days of us informing you of their acceptance.

If the remedy includes a financial payment, you will either need to make this within 10 working days, if you are able, or if you need any information from Ms [REDACTED] in order to make the payment e.g. identification, bank details, to have requested this within 10 working days, and then make the payment within 10 working days of the information being received.

