

## The complaint

Mr W complains that he was mis-sold an interest rate product for his mortgage with Accord Mortgages Limited (trading as Accord Mortgages).

## What happened

Accord wrote to Mr W reminding him that his mortgage interest rate product was due to expire in May 2022. Mr W says that one of the options was to visit Accord's website to see what products were available. He did this, and took out a two-year discounted SVR product. Mr W says no-where was it mentioned that this was a variable rate product. He says he has no memory of receiving any paperwork. Mr W says he first knew his mortgage was on a variable interest rate when he received his mortgage statement in early 2023 saying his payments would increase to about £1,900 in March 2023.

Our investigator said Accord had provided sufficient information about the product. Our investigator said it was Mr W's choice to take out a product on a non-advised basis.

Mr W didn't agree and asked that an ombudsman re-consider the matter.

## 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 March 2022 Mr W visited Accord's website and selected a discounted SVR product. Interest rates have increased since then, meaning he's paying more each month. Mr W says the information provided about the product was unclear and he thought he'd selected a fixed interest rate product.

I'm sorry to disappoint Mr W, but I don't agree that the information given to him about the product was unclear.

Accord sent a product transfer offer to Mr W in March 2022. On the first page there is a heading "*Interest rates and other costs*". Under this heading it says "*The interest rate charged on your loan will be as follows: A variable rate which is 2.77% below Standard Variable Rate...*".

The section goes on to say "*Our Standard Variable Rate is set by us and is variable under the Mortgage Loan Terms and Mortgage Conditions.*"

I think the product transfer offer makes it clear that the product has a variable interest rate. This wasn't hidden in the small print, as Mr W suggests. It was set out on the first page of the product transfer offer.

Accord says that customers can speak to a mortgage adviser if they want advice. Mr W says the process of taking out a product online was made so simple he didn't need to do this, and advice wasn't easily accessible. I'm not sure what he means by this, but the statements and letters Accord sent to Mr W had details he could have used to contact Accord. I appreciate it

was convenient and quick to choose a product online rather than call Accord and have an advised appointment. But ultimately it was Mr W's choice to proceed on a non-advised basis.

Mr W says the title of the product – discounted SVR mortgage – isn't clear as it doesn't include the term variable. I don't think it's reasonable for Mr W to hold Accord responsible if he selected the product based only on its title, especially as he's said this meant nothing to him. If Mr W wasn't sure how the product worked, he could have called Accord.

Since March 2022 Accord has put more information on its website about discounted SVR products and how they work. This doesn't in itself mean that the information provided to Mr W was unclear as to whether the product had a fixed or variable interest rate.

Mr W says he doesn't remember receiving any paperwork and he was able to accept the product online without signing and returning any paperwork. Accord's records show it sent the product transfer offer to Mr W, and I think it's likely that it did do so.

The product transfer offer sets out the terms of the product. I think it's reasonable for Accord to expect Mr W to read the product transfer offer before deciding whether to accept the offer and take out the product. As this made it clear the product had a variable interest rate, I don't think I can fairly find that Mr W wasn't provided with this information. It follows that I don't think it's fair and reasonable to require Accord to allow Mr W to switch to a fixed rate product available in March 2022 or pay compensation to him for the cost of the product he took out.

Mr W says he's having to make difficult financial choices due to higher mortgage payments. If Mr W is struggling to maintain his mortgage payments I'd urge him to contact Accord to discuss what support it might be able to offer.

### **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 February 2024.

Ruth Stevenson  
**Ombudsman**