

The complaint

Mr T complains that HSBC UK Bank Plc did not contact him to say that it hadn't received his mortgage acceptance form which meant that he missed out on a more favourable interest rate than he is now on.

What happened

Mr T has a mortgage with HSBC. Mr T had a fixed mortgage rate which expired on 31 December 2021. HSBC sent Mr T a letter dated 2 October 2021 telling him that the mortgage product was coming to an end later in the year. Mr T's mortgage at the time was about £45,800.00. Mr T's interest rate duly changed, and HSBC sent him a letter in January 2022 telling him that he was on HSBC's variable rate. Mr T contacted HSBC in May 2022, but no new rate was agreed. Then an appointment was booked on 4 June. This was a non-advised appointment and HSBC sent Mr T a list of its available interest rates beforehand for him to choose. Following the meeting HSBC issued Mr T with a number of documents. One of these was the mortgage offer which required Mr T to sign and date and return to accept the offer. HSBC also sent Mr T a document confirming that he agreed to proceed with the mortgage application without advice as this was a non-advised sale.

HSBC says that it got back the mortgage offer unsigned, and the non-advised sale document signed in duplicate. So, it then sent a letter dated 16 June 2022 addressed to Mr T saying that he had not signed and dated the acceptance page of the offer and that they were sending out another offer document "*under separate cover*". On the same date HSBC sent another offer document but this was not returned. Mr T says he never received it. As the offer wasn't returned this offer lapsed. Mr T eventually obtained a new rate with HSBC but at a higher rate of interest than in the original offer. Our investigator didn't recommend that this complaint should be upheld as he didn't find that HSBC made any error. Mr T disagreed and asked for a review.

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.

After Mr T was on a variable rate for a period he decided to fix his rate and arranged an appointment with a HSBC adviser. Mr T wanted a particular rate and HSBC then sent him out a number of documents which included an acceptance form for the mortgage offer and a form confirming he'd not received advice on choosing the mortgage rate. Mr T appears to have signed two copies of the form confirming he's not received advice twice and returned it but didn't sign or the form accepting the mortgage offer. HSBC wrote to Mr T telling him what happened and sending a fresh mortgage offer. HSBC never got it back signed as Mr T says he didn't get it.

My role is to decide firstly whether HSBC did anything wrong. The significant factor here is that HSBC required a signed acceptance form from Mr T confirming he accepted the terms of the mortgage offer but never got it. Mr T appears to have signed a separate form twice but not the acceptance form. That is not the fault of HSBC. HSBC then tried to contact Mr T by

post. The letter and new mortgage offer that were returned to Mr T appear to be addressed correctly and indeed appear to have been sent in separate packages. HSBC seems to have tried to assist Mr T in correcting his error by alerting Mr T by post to the issue and giving him the opportunity to rectify the situation, if he wanted to, by signing the acceptance form on the reissued mortgage offer. Mr T never got this letter. I appreciate that there are other ways that HSBC could have contacted Mr T, but I consider that it's reasonable to have tried to do so by post and can't hold it at fault if the mail was not received by Mr T. For the above reasons I can't fairly uphold his complaint.

My final decision

My decision is that I do not uphold his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 9 November 2023.

Gerard McManus
Ombudsman