

The complaint

Mr V is unhappy that he was unable to access National Westminster Bank Plc's (NatWest) online portal or book an appointment in branch to change his mortgage rate; he therefore had to use a broker which meant the interest rate was higher.

What happened

Mr V took out a mortgage with NatWest on 2 February 2023 with a fixed rate of 3.65% until 31 August 2023. In April 2023, Mr V contacted NatWest in order to discuss a new interest rate and amending the term of his mortgage. An appointment was arranged for 25 May 2023 but this did not go ahead as Mr V advised that he had found a better deal elsewhere.

A broker application for a product switch for a two-year fixed rate of 4.99% was completed on 21 June 2023, with the new rate to be applied the day after the expiry of the previous rate. On 22 June 2023, Mr V contacted NatWest to discuss amending the term of his mortgage. As the product rate switch had not yet been completed, NatWest advised that it could not carry out an application for a term amendment at that stage.

Once the product switch had completed on 1 September 2023, Mr V contacted NatWest again on 4 September 2023 to discuss mortgage support following the introduction of the Mortgage Charter. He completed a request to extend the term and the term was extended on 5 September 2023.

Mr V is unhappy that the rates offered by his broker for a new fixed rate were different to the rates he had seen on NatWest's online portal. The rate he saw online was for 4.89% whereas the rate he secured through his broker was 4.99%. Mr V says that he was unable to access NatWest's online portal in order to agree a new rate; he is also unhappy that he was unable to book an appointment with a mortgage advisor in branch. As a result of this he says that he had no other option but to go to a mortgage broker due to the interest rates rising during June 2023.

Mr V would like NatWest to improve the reliability of its app and have mortgage advisors in branch. To resolve the issue, he would like NatWest to apply a lower interest rate to his mortgage, remove the product fee and reduce the mortgage term back to 17 years from 25 years.

NatWest says that the rates it offers online or through its own mortgage advisors are different to the rates provided by brokers so it says that no error has been made in this regard. It will therefore not amend the 4.99% fixed rate Mr V secured through a broker to the 4.89% fixed rate which was available on its website.

NatWest says that its current process is that a rate change cannot be done in branch; it can be done online, or an appointment can be booked via the mortgage centre to speak with a mortgage advisor either over the phone or on zoom. This can also be done via a broker. It therefore says no error has been made when Mr V was told that he could not book a branch appointment for a rate change.

NatWest says that during the relevant time between 19 and 22 June 2023, there were no errors with its online switching process and it has been unable to identify any errors relating to Mr V's banking app.

Our investigator looked into Mr V's case and did not uphold his complaint. He found that Mr V made no mention of having any issues with the app during the phone call on 22 June 2023 and NatWest has since confirmed there were no issues with its app at the time. He found that NatWest had made a commercial decision not to offer mortgage advisors in branch and this service does not have the power to tell it how to operate its branches. In respect of the interest rate, the investigator found that Mr V had chosen to proceed with a product switch via a mortgage broker and he accepted the rate offered. NatWest had no influence over this decision so it would be unfair to ask it to offer him the lower interest rate which would have been available if he had applied online himself. Overall, the investigator did not ask NatWest to take any further action.

Mr V disagrees with this so the case has come to me to make a decision. He maintains that if NatWest's app had worked then he wouldn't have had to contact a broker.

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.

Having looked at the evidence I agree with the investigator's view for broadly the same reasons and I've explained my reasons further below.

I have listened to the phone call which took place between Mr V and NatWest on 22 June 2023. He tells the advisor that he has completed an application with a broker and wanted to borrow more money and extend the term. The advisor explained on a number of occasions that Mr V could not have more than one application going at a time. As the rate switch through the broker was still pending until the current rate expired, this meant that Mr V would have to wait until the new rate completed on 1 September 2023 before he could apply for either a term amendment or more money.

Mr V asked the advisor why the interest rates were lower on a comparison website than the rate he had got through his broker, which was higher. The advisor explained that she was unable to comment on the rates which were offered by the comparison website and that Mr V would have to take this query up with his broker. Mr V questioned whether he could have the lower rate and was advised that it had been his decision to use a broker and if he did not want to go ahead with the current application he would need to speak with the broker. Mr V was clearly frustrated by this and the call was cut off.

In respect of NatWest not being able to offer Mr V an appointment in branch to apply for a rate change, NatWest has confirmed that it does not offer this service and that a rate change can either be done online or an appointment made to speak with a mortgage advisor on the phone or via zoom. It is a matter for NatWest as to what services it offers its customers and it is entitled to make commercial decisions about how applications can be made. I am satisfied that Mr V was treated fairly in this respect and in line with other customers.

NatWest has also confirmed that there were no system errors with its app for the online switching process during the relevant time period. I also note that Mr V does not mention during the phone call which took place on 22 June 2023 (the day after the broker application was completed) that he has had any issues with the app. Therefore, on the balance of probabilities I am satisfied that there weren't any issues with the online process for switching rates and that Mr V could have completed the application himself without a broker if he had chosen to do so.

In relation to the rates offered to customers applying directly being different to those available through brokers, NatWest has confirmed that customers may receive different prices based on a number of characteristics. However, it has provided evidence showing that for Mr V's product, the 4.99% rate that he received through the broker was the same rate it offered to existing customers applying directly on 21 June 2023. As Mr V chose to use

a broker and accepted the rate offered during his product switch application, I cannot find that NatWest has acted unfairly in applying this rate to his product switch and I won't be asking it to apply a lower rate.

I know my decision will come as a disappointment to Mr V, but I can't say that NatWest has acted unreasonably in the circumstances of this case and I don't uphold this complaint.

My final decision

For the reasons I've explained above, I don't uphold this complaint and don't require National Westminster Bank Plc to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 12 June 2024.

Rachel Ellis
Ombudsman