

The complaint

Miss K and Mr P complain that their adviser from Quilter Mortgage Planning Limited didn't contact their lender shortly before their mortgage product change came into effect to get them onto a five-year fixed rate mortgage product.

What happened

Miss K and Mr P have a mortgage with a lender I shall call Lender A and to get a new fixed rate mortgage product used Quilter as a broker. The previous mortgage deal was coming to an end on 31 October 2021. It was agreed because of the interest rates on five-year products at the time that they would take out a two-year deal and review the market in two years time. Miss K and Mr P agreed a deal for two years with an interest rate fixed at 1.76%.

As the day of the switch approached, Miss K and Mr P became concerned that their payments would be much higher in two years time and that a five-year deal might be preferable and emailed the broker in the afternoon of Friday 29 October 2021 to see if they could switch to a five-year deal. The broker said he would try. At the time and later they understood that the time might be too tight to switch. But they later found out from Lender A that they could have changed their mind up to the switch date of Monday 1 November 2021 and Lender A confirmed that they had no contact from the broker to ask to switch at the last minute.

Quilter says that the email request was received at 14.33 on that Friday and not picked up by the adviser who had returned from holidays until 17.46 but at that stage the phone lines to Lender A were closed to the broker over the weekend. It also says that it as the mortgage had been agreed at the beginning of September it was unreasonable to expect the adviser to change the deal at such short notice.

Our investigator didn't recommend that this complaint should be upheld as he didn't think that there was enough time to change the product at the last minute. Miss K and Mr P 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.

The background to this is that the broker and Miss K and Mr P went through a process in early September of identifying what was the best mortgage product that suited their needs. For various reasons a two-year deal with their existing lender was selected and the application proceeded on that basis. But at the last minute, on the Friday evening before the new mortgage product came into effect on the following Monday, Miss K emailed the broker to ask if they could change to the 5-year product. The broker replied that he didn't think so but would try. The broker says that the adviser couldn't get through to the lender before Monday.

My role is to decide whether Quilter did anything wrong. I noted that in its response that

Quilter say it was unreasonable to expect the adviser to make changes to the offer at such short notice. I understand Quilter's position on that. Brokers are regulated in the sale of mortgages to protect consumers. This mortgage was an advised sale meaning that the Quilter adviser had to go through a process of understanding Miss K and Mr P's needs and advising on the most suitable product for them given that. It normally involves an appointment, consideration and a suitability letter.

Certainly, it required more time than the adviser had in the afternoon of 29 October. One of the matters I have to consider is good industry practice and I recognise that industry practice and good regulation require time to provide good advice to consumers and that the adviser didn't have that time. So, I consider it would be unfair to be critical of the adviser if he failed to take actions that he might have taken without that time pressure being on him.

But in any case, Quilter has provided evidence that it couldn't get through to Lender A after 5.00 pm on the Friday and before Monday as the intermediaries line to Lender A was closed at that time. That would explain why when Miss K contacted Lender A, it said it had received no contact over that weekend from the broker. It wouldn't have had that contact if the broker couldn't get through. So, for the above reasons, I don't consider that Quilter did anything wrong and I can't fairly uphold this complaint.

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 Miss K and Mr P to accept or reject my decision before 17 December 2023.

Gerard McManus
Ombudsman