

The complaint

Mrs and Mr S complain that Clydesdale Bank Plc has failed to treat them fairly when providing information and advice about their mortgage and options available to them.

What happened

Mr and Mrs S raised a complaint in early 2022 about a number of different areas where they felt Clydesdale had failed to treat them fairly. This included issues with the mortgage appointment and advice given when they ported their mortgage previously with an additional borrowing application made. This resulted in them having two mortgages on the new property, mortgage one was the ported mortgage and mortgage two was the additional borrowing.

Mrs and Mr S were also unhappy that when they spoke with Clydesdale to discuss their options when one of their mortgage products was due to end in early 2022 that the advice wasn't suitable. They felt the waiting times on calls were unreasonable, they hadn't received a maturity notice for their mortgage with the product that was due to end and an incorrect offer was sent out. Overall they felt Clydesdale caused confusion and the service was not at the level they expected.

Clydesdale looked at the complaint and issued a final response on 10 March 2022. It apologised for mistakes it had made and paid £200 to recognise the impact of any distress and inconvenience caused.

After Mrs and Mr S's product transfer had been completed on part of their mortgage, Mrs and Mr S complained again to Clydesdale. This time they complained about the following:

- That they'd been given incorrect advice about their monthly payments and what these would be after a capital repayment was to be made.
- That they were misadvised in relation to the product transfer options – in hindsight they would have preferred to pay an Early Repayment Charge (ERC) and marry up the two mortgage accounts to one product.
- They don't feel Clydesdale's process is adequate.
- Post was sent to their old address.
- They had approached an independent adviser but they were told by Clydesdale the mortgage was locked in.
- They are concerned the monthly payment amount is incorrect as another lenders online calculator gave a different figure to what they are paying.
- The call wait times were too long and they were transferred to the wrong department and the complaint handling wasn't resulting in an outcome they were happy with.

- The interest rate was quoted incorrectly in the capital repayment letter sent to Mrs and Mr S.

As a result of these errors, Mrs and Mr S have said they'd like to be able to move to a new lender without having to incur an early repayment charge.

Clydesdale looked at the complaint and agreed there had been mistakes made. When Mrs S spoke with it in January 2022 about the product transfer and the monthly repayments going forward after a capital repayment, they hadn't used the repayment term Mrs and Mr S wanted and instead, the quoted monthly repayment amount was based on a longer term. This meant the amount quoted was lower than what Mrs and Mr S need to pay each month with the reduced term.

It also accepted that the capital repayment letter contained incorrect information and that it was sent to the wrong address.

But they felt the payment has been calculated correctly following the capital repayment. This is based on the new repayment term and interest rate applied to the mortgage. Clydesdale didn't agree it had done anything wrong when it provided advice to Mrs and Mr S about their options when the product rate on one of their mortgages was expiring. So it didn't think it misadvised them about the ERC which would be applied if they wanted to move their other mortgage account on to the same rate before its product term ended.

It said it couldn't find any information to show a conversation with it and a financial adviser working on behalf of Mrs and Mr S. But it said it would never stop a customer seeking independent advice and the mortgage is not locked to prevent this from being obtained.

Clydesdale felt its previous response had covered issues with wait times and service up until 8 March 2022. However, it recognised there had been subsequent issues as I've highlighted above and it awarded £200 in recognition of these additional issues.

Mrs and Mr S brought their complaint to this Service on 23 December 2022.

Our investigator looked at the complaint and said that he didn't think we could consider all of it. He explained the complaint points addressed in the final response issued in March 2022 couldn't be looked at. This is because they had been brought to this Service more than six months after the final response had been issued and he hadn't seen anything he considered to be exceptional that stopped Mrs and Mr S bringing their complaint sooner.

With the complaint points brought in the later complaint and addressed in the September final response, our investigator agreed that Clydesdale had made mistakes. But overall, he felt the compensation it offered in recognition of this was in line with an amount this Service would award and because of this, he didn't ask it to do anything else.

Mrs and Mr S disagreed with the outcome. They didn't think it was fair that we said we can only consider part of the complaint. They don't think the impact of the errors made by Clydesdale has been reflected fairly with the compensation offered for the distress and inconvenience and they asked that the complaint be referred for a final decision.

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 considered this complaint, I've reached the same outcome as our investigator for

broadly the same reasons. I know this will be disappointing for Mrs and Mr S, but I'll explain why I don't think we can consider all of their complaint points. And for the complaint points we can consider; I don't think Clydesdale need to do anything else.

What we cannot consider

This service is not free to consider all complaints that are brought to it. The Financial Conduct Authority (FCA) sets out the rules which include which complaints we can and cannot look into. We are bound by these rules, called the Dispute Resolutions Rules (DISP). These can be found in the FCA Handbook and are available online.

DISP 2.8.2 explains this service cannot consider a complaint brought more than six months after the date of the final response. The only exceptions to this are if the business complained about consents to us considering the complaint after it has been brought late, or if we feel the reason for the time delay was the result of an exceptional circumstance.

Mrs and Mr S first complaints were addressed by Clydesdale in its final response letter dated 10 March 2022. This set out the referral rights to this Service which explained Mrs and Mr S had six months from the date of their letter to bring their complaint to us if they were unhappy with the response provided. So they had until 10 September to bring their complaint to us and Clydesdale hasn't consented to us considering this complaint when it was brought after this.

Mr and Mrs S didn't bring a complaint to us until 23 December 2023, more than six months after the final response was sent. I appreciate they've said they were still in discussions with Clydesdale and there were some issues that were ongoing. But continuing to engage with a business is not something which would generally extend the time for a complaint to be brought.

I've not been provided with anything which I consider to be an exceptional circumstance that prevented Mrs and Mr S from raising their complaint with us sooner. The continued contact with it about the complaint and newer issues isn't something that I would consider as exceptional. As a result, due to the complaint not being brought within the six-month time limit set out within the final response, I'm satisfied this Service is not able to consider the complaint points dealt with within it.

What we can consider

Mrs and Mr S have raised a number of points in their later response and these were addressed by Clydesdale in its final response issued on 30 September 2022. They repeated some concerns which had been addressed in the earlier final response around whether they had been misadvised with the product transfer and complaints about the call wait times. I can't consider these for the reasons I've explained above, but there are some linked parts to this which can be considered as explained and covered by our investigator. This is because although relating to advice of the earlier calls for the transfer, Mrs and Mr S would not have known until later that there was cause for complain.

Mrs and Mr S explained they were planning on making a capital repayment to their mortgage and so the figures they were provided with during the calls with Clydesdale were indicative of what they could expect to pay after this. This should have been based on the correct mortgage term Mrs and Mr S wanted their account to move to, which was 15 years – taking 7 years off the overall term. However the adviser looked at figures based on the existing term of 22 years and so, the amount was lower than it would have been. This isn't disputed by either side and although I can see why this will have caused some loss of expectation, I have to also consider that the figures were only ever meant to be indicative of what Mrs and

Mr S might have paid.

In later calls ahead of the product transfer being agreed, Mrs and Mr S were provided with the total monthly payment they'd need to make for their two mortgages combined. So I think it was made clear what their total payment was before anything was agreed, even if there was confusion caused in earlier calls.

Mrs and Mr S feel that with hindsight they should have chosen a different option when they did a product transfer with just one of their mortgages. Some of this concern will be linked to their earlier complaint which I cannot comment on. I appreciate with time feelings about choices made and whether it was the best option will change. But I am satisfied Mrs and Mr S were given the correct information about their mortgage payments and what this would be with the two different rates running alongside each other and I don't think Clydesdale need to do anything else in relation to this.

I've seen nothing to indicate the monthly repayment amount Mrs and Mr S are paying is incorrect and Clydesdale has confirmed this. I don't think another lenders online calculator can be taken as evidence to show an issue with Clydesdale and how it is charging the repayment figure it is.

I've also not seen anything to support that Mrs and Mr S's independent financial adviser was given information about their mortgage or that Clydesdale has made attempts to stop them from receiving independent advice.

Mrs and Mr S have complained about Clydesdale's process, including how it notifies customers of changes to their account. While I appreciate they may feel it could do things through a different medium, I don't think it has done anything wrong when relying on the communication channels it does. As a business it is for it to decide how it communicates with its customers. Providing it is not treating customers differently, I don't think it is acting unfairly or doing anything wrong when operating in this way.

It isn't disputed that Clydesdale did send information to the incorrect address and some of the information it shared with Mrs and Mr S wasn't as clear or as accurate as it could have been. The Information Commissioners Office can look into data protection breaches as our investigator explained, but we can consider the impact of a service failing when something goes wrong like information being sent to the wrong address.

Overall, I can see why Mrs and Mr S are unhappy with Clydesdale as it has made mistakes when dealing with their mortgage. And this will understandably have caused distress. But I think the award made of £200 for this is in line with the range of awards this Service would make for these failings. I've not been provided with anything to show the impact of the errors made by Clydesdale would warrant for this to be increased and as a result, I am not asking it to take any further action.

My final decision

I don't uphold this complaint as I feel the actions taken by Clydesdale to put things right are fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 27 October 2023.

Thomas Brissenden
Ombudsman