

## **The complaint**

Mr M complains that Bank of Ireland (UK) Plc didn't tell him he had to take out a new mortgage product before a certain date to guarantee it being in place when his existing product expired. As a result, his mortgage was on its standard variable rate (SVR) for a month.

## **What happened**

Mr M's mortgage product was due to expire on 31 July 2022. Mr M says he wasn't told he had to take out a new product before 19 July 2022 for it to be in place by the end of the month.

Mr M took out a new product on 28 July 2022. Bank of Ireland applied its SVR to Mr M's mortgage for a month. Mr M says this cost him £62 in additional interest which he'd like refunded.

Our investigator said Bank of Ireland had written to Mr M in May 2022 saying there was a cut-off date to take out a new product for it to be in place by the end of the month, and this was also stated on its website.

Mr M said this wasn't stated on the letter Bank of Ireland sent to him in early July 2022 reminding him that his product was due to expire. He says there's no reason for the deadline to be omitted other than to ensure people are caught out into paying additional fees.

## **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.

Mr M doesn't dispute that he knew his fixed rate product was due to expire at the end of July 2022. What he does dispute is that Bank of Ireland told him he needed to take out a new product by 19 July 2022 for this to be in place by 1 August 2022.

Bank of Ireland says it sent a letter to Mr M on 10 May 2022. This letter said his fixed rate was ending and he could switch to a new deal. It said he could do this via a mortgage broker or online. The letter then said: *"To guarantee your new rate taking effect from the 1st of the month after your current deal ends (or the 1st of next month if your deal has already ended), we must have your Offer acceptance and anything else we've asked for by the 19th of the previous month. If we don't have everything by then, your product switch may not take effect until a month later."*

Bank of Ireland provided its records showing that the letter was sent to Mr M. On balance, I think it did send the letter to Mr M. Bank of Ireland says this deadline is also explained on its website.

Bank of Ireland sent a further letter to Mr M on 3 July 2022. This said his deal was due to end and told him what his new monthly payment would be. It said if he'd recently applied to

switch to a new deal the letter wouldn't account for that. Otherwise, the letter didn't give information about taking out a new product.

Mr M contacted Bank of Ireland on 28 July 2022. He was told that he'd missed the 19 July 2022 deadline and the SVR would apply for one month. He took out a new rate which took effect on 1 September 2022.

Mr M hasn't said whether or not he received the letter sent in May 2022. He says the second letter, sent in July 2022, should also have included the paragraph setting out the deadline. He says not everyone can access information on websites.

Mr M would have found it helpful if Bank of Ireland had set out the deadline in the second letter. But this doesn't change the fact that Bank of Ireland had told him about the deadline when it wrote to him in May 2022 with information about taking out a new product.

I'm sorry Mr M missed the deadline. But I don't think Bank of Ireland misled him or treated him unfairly. It sent information to him about taking out a new product – including the deadline – and gave him correct information when he contacted it. It follows that I don't think it's fair and reasonable to require Bank of Ireland to refund the additional interest Mr M paid as a result of his mortgage being on its SVR.

### **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 M to accept or reject my decision before 18 September 2023.

Ruth Stevenson  
**Ombudsman**