

## **The complaint**

Mr A complains that Bank of Scotland plc trading as Halifax caused delays to his remortgage. He says this meant he ended up paying a higher interest rate and additional fees.

## **What happened**

Mr A held a mortgage with Halifax. The property was originally leasehold, but Mr A later purchased the freehold. In 2019, with the help of a solicitor, Mr A applied to substitute the security for the mortgage deed as a result of now owning the freehold. Mr A says that due to delays in Halifax providing information, this process stalled.

On 23 June 2022, Mr A says his solicitors again wrote to Halifax for further information to complete this process. Mr A says his solicitors chased this again on 1 August 2022. On 12 October 2022, Mr A's solicitors called Halifax to say they hadn't received a response to their requests for information. Halifax incorrectly told the solicitors in this call that a response had been sent that day – it had in fact been sent on 26 August 2022. On 24 October, Mr A got in touch with Halifax saying his solicitors were still waiting for information. A further response was sent on 28 October providing all of the information required.

Mr A complained to Halifax about this on 4 November and his mortgage with Halifax was redeemed on 12 December 2022. Mr A said he was left paying Halifax's standard variable rate for longer than he should've, and that he'd incurred additional legal fees.

Halifax looked into Mr A's complaint. It said it had provided his solicitors with incorrect information during the call on 12 October 2022 when it said it had responded to their queries on that same day. But it had in fact already responded on 26 August 2022, so clearly this had been lost in the post.

Halifax said that because of this, it wasn't until Mr A got in touch on 24 October 2022 to say the documents still hadn't been received that it realised these documents must have been lost in the post. So, Halifax reissued the documents which were received by Mr A's solicitors soon after. Because of this, Halifax accepted it was responsible for a delay of about two weeks. Halifax offered £100 compensation for this but didn't accept that it was responsible for any further losses.

Unhappy with this response, Mr A referred his complaint to our Service and one of our Investigators looked into it. Our Investigator didn't think Halifax were responsible for delays beyond the two weeks it had agreed, and he thought the £100 compensation was fair in the circumstances.

Mr A didn't accept this. He said that this stemmed from Halifax's errors in not responding to his solicitors in 2020. Our Investigator wasn't minded to change his opinion, so Mr A asked for his complaint to be considered by an Ombudsman. It's now been passed to me to review and make 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 done so, I find myself coming to the same conclusion as our Investigator, and for the same reasons. I'll explain why.

Mr A first started to apply to substitute the security for his mortgage deed in 2019 and this was still ongoing in 2020. Mr A thinks that delays caused by Halifax here have led to him being unable to remortgage when he wanted to in 2022.

From the records provided to me by Halifax, I can see that Halifax did respond to Mr A's solicitors in 2020. I can't see any requests from Mr A's solicitors on Halifax's records that weren't responded to. And if there were still outstanding documents which meant that the solicitors were unable to complete this transaction, I can't understand why the solicitors waited until 2022 to take further action. Had this been completed in a timely manner, then it seems to me that there would've been no delay in Mr A's remortgage in 2022.

Mr A says his solicitors wrote to Halifax on 23 June 2022 requesting further information to complete this process and chased this, again by post, on 1 August 2022. Halifax's records show that it only received the second letter, and this was responded to on 26 August 2022. Whilst this is outside the deadline the solicitors set of 14 days, I don't think that this is an unreasonable timeframe to respond. I understand Mr A's solicitors didn't receive this response. But we have evidence to suggest it was sent. And I can't hold Halifax responsible for errors with the postal service. I'd also note that Mr A's solicitors had written to request these documents twice and didn't choose to call to chase them until 12 October 2022. If this matter was urgent, I think the solicitors could've chased this on the phone sooner.

It was at this stage that I do agree that Halifax made a mistake. On this call, it told Mr A's solicitors that the response had been sent out that day, when it had in fact been sent almost a month earlier. Had Halifax realised this, it would've seemed likely that the documents had been lost in the post and it could've resent them sooner. It wasn't until Mr A got in touch on 24 October 2022, that these documents were resent. So, I agree that Halifax is responsible for a delay of around two weeks.

Ultimately, I think the main reason that the completion of Mr A's remortgage to another lender was delayed was due to the fact that the legal work for the deed of substituted security was not completed in 2020. I can't see that anything further was requested by Mr A's solicitors to proceed with this until June 2022. Mr A's mortgage offer made it clear when his mortgage interest rate would end, and it was for him and his solicitors to ensure that any remortgage was able to take place in a timely manner if he wished to avoid paying Halifax's standard variable rate. I think the solicitors should've been aware that the outstanding legal work from 2020 would likely have delayed any potential remortgage.

As I've said, I do accept Halifax caused delays of around two weeks. However, I don't think I can fairly hold Halifax responsible for any time Mr A spent paying the standard variable rate, given the wider context of the delays. I do accept this misake has caused some inconvenience to Mr A in having to chase a response from Halifax. And I think the £100 it's offered to recognise this is fair, so I'm not going to ask it to pay anything further.

## **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 November 2023.

Rob Deadman  
**Ombudsman**