

The complaint

Mr F complains that Lloyds Bank PLC wouldn't facilitate him to change his mortgage product despite his vulnerabilities.

What happened

Mr F took out a mortgage in 2007. The mortgage was also secured with a guarantor. In 2022 Mr F wanted to take out a new mortgage product with Lloyds through his app but every time he tried he kept getting an error message. At the time his father was receiving end of life care and sadly died in August 2022. Mr F suffers from ADHD and wanted to use the app to do this transaction without a lengthy phone call or interview which he finds difficult to deal with. Because Mr F couldn't switch he missed out on the mortgage product and if he wants to switch now faces an increase in the interest rate available.

Our investigator noted that prior to making his complaint Mr F hadn't made Lloyds aware of his father's death or his condition so Lloyds wouldn't have known of these. Our investigator also thought that Mr F should have known that he could have contacted Lloyds by phone or by the online chat facility if he wanted to arrange an appointment for a new mortgage product. So, our investigator didn't recommend that this complaint should be upheld. Mr F disagrees 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.

Mr F says that for several reasons he wanted to apply online to switch to a new mortgage product, but the app wouldn't let him do so. Each time it would tell him the service was unavailable and if the same issue persisted to contact a phone number that appears on the message. Mr F has supplied us with several screenshots of this message which shows that he tried on several occasions to access the app for this purpose. Mr F was directed to a phone number but speaking to a mortgage adviser proved difficult because of the high call volumes.

As I understand it Mr F was unable to do an online transfer – or what is termed an execution only product transfer - because the situation his account was in made him ineligible at the time. Lloyds has shown its ineligibility criteria and part of that is if a customer is in arrears. Lloyds says Mr F was in arrears at the time. That meant that Mr F couldn't do it online and would have to receive advice before doing the switch. This eligibility issue isn't given as a reason on the app why the online facility wasn't available, and I would have thought it would have been helpful if it did. Mr F says that the error message did not accurately represent the actual problem and that “ *This misleading information prevented me from seeking a resolution promptly.*” But the resolution to the problem was to contact Lloyds by phone and that was what the message directed him to do. So, I don't consider any inaccuracy in the error message prevented Mr F from getting his desired mortgage product.

Mr F says that he wasn't in arrears. I've seen a history of the account during this period, and

I can see that from time to time the account does fall into arrears which are then cleared so it's possible that there were arrears at this time which caused the error message. I also note that another reason that the account may be ineligible for an online switch is if the customers correspondence address differs from the property address. I note that in his case there is a guarantor, and the guarantors address differs than the property address. I also note that the correspondence address Mr F has used on the complaint form differs from the property address for the mortgage. So, it appears that Mr F was ineligible under Lloyds criteria for an online mortgage product transfer and Lloyds was acting within its lending criteria in requiring Mr F to contact the bank.

But Mr F says that he found it difficult to communicate with Lloyds by phone because of his father's illness and recent death and Mr F's ADHD. The difficulty I have in upholding this complaint for Mr F is that I can't see that Lloyds would have known of these issues at the relevant time to make any reasonable adjustments that were required. There's no evidence that they had been made aware of Mr F's father's illness or death or of Mr F's ADHD and that he struggled with phone conversations. Indeed, I note that in making this complaint to Lloyds, Mr F says that he didn't have time to call previously because his father was sick but makes no mention that he struggled with phone conversations because of his ADHD.

I would also have thought that if Mr F was unable to use the phone as a mechanism to communicate his difficulties and wanted to communicate online, he had the option of the online chat facility to explain the difficulties he was facing to see if the bank was in a position to make reasonable adjustments. So, it's difficult for me to uphold a complaint about Lloyd's failure to make adjustments for Mr F's communication issues as it couldn't reasonably have been aware of those issues. For these reasons I can't fairly uphold this complaint. Finally, there are a number of other complaints that Mr F has indicated he may have with Lloyds. Should he wish to pursue those he should bring them initially to Lloyds to allow the bank to respond to those complaints.

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 F to accept or reject my decision before 7 February 2024.

Gerard McManus
Ombudsman