

The complaint

Mr C and Ms J complain that Bank of Ireland (UK) Plc trading as Bank of Ireland Mortgages, provided them misinformation about their buy-to-let (BTL) mortgage, causing them to lose out as a result.

What happened

Mr C and Ms J complained to Bank of Ireland after they attempted to fix a new interest rate on their BTL mortgage. In a call with Bank of Ireland on 11 August 2022, Mr C hoped to fix a new five-year rate for his and Ms J's mortgage, having booked this appointment in an earlier call on 3 August. It was explained at this point that Mr C and Ms J's mortgage could only have a fixed rate applied if their mortgage was changed to a new mortgage account number and this would entail a full mortgage conveyance to set up the new account. This was because it had been set up previously on an old Bank of Ireland system.

Bank of Ireland explained it would cover all of the cost associated with the mortgage conveyance process but this was the only way a new fixed rate product could be arranged.

Mr C explained he has no access to the correspondence address as he and Ms J were residing outside of the UK at the time and they had not organised a forwarding service from their UK address. And they didn't want to change their correspondence address to where they were based at the time. Mr C and Ms J were not back in the UK until December 2022 and said they were unable to do anything until this point if they needed to receive post and return signed documents.

The adviser Mr C spoke with said he'd look to see what could happen in terms of any workaround that might be available. He raised a complaint and put down that Mr C and Ms J's desired outcome would be to take a rate from August 2022 but deal with the paperwork that was required on their return to the UK in December 2022. No full application was completed and Mr C and Ms J waited to hear the outcome of their complaint and their desired resolution.

Bank of Ireland responded to the complaint and said it didn't think it had done anything wrong. They felt it had provided correct information in its calls with Mr C and Ms J and they had not been misinformed about having options to fix their rate online or that there was the option to complete this process without needing to return signed documents.

Our investigator looked at this complaint and listened to all phone calls Mr C had with Bank of Ireland. She didn't think Bank of Ireland needed to do anything else based on the information it had provided previously. She didn't think it had made any promises about Mr C and Ms J being able to fix their mortgage online. Nor did she think Bank of Ireland gave an indication in their calls that any quoted rates were available for a certain amount of time.

Mr C and Ms J disagreed with our investigators outcome and asked that the complaint be reviewed by an Ombudsman.

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.

I know Mr C and Ms J will be disappointed by this outcome, but I've decided not to uphold their complaint, for much the same reasons as our investigator.

The focus of this complaint is whether, in a phone call with an adviser on 11 August 2022, Bank of Ireland said a rate could be honoured in December 2022. Mr C and Ms J believe they were told this was the case and the adviser said this would happen. Having listened to the call in question, I am satisfied this is not what was said.

The adviser acknowledged that Mr C felt he had a wasted appointment call with him as he didn't think he would be able to complete the paperwork based on his correspondence address and having no access to this. And Mr C had proceeded with the call and repaid arrears on the BTL mortgage balance ahead of this to allow them the option to look at fixed rate products. The adviser apologised if any information had been provided earlier which was incorrect but explained the only way Mr C and Ms J could fix a rate on their mortgage was to effectively re-mortgage with a full mortgage conveyance process. This was because their existing product was on a legacy system and it meant they had no option to complete a rate switch online.

The adviser said he would set up the complaint and that Mr C and Ms J, would like to have any rate available now (in August 2022), available to them in December 2022 as they are unable to complete any paperwork ahead of this because of their circumstances. Mr C expressed his gratitude at the adviser understanding what his desired outcome was and it might be he was under the belief this is what was being offered. But this is not what was offered and so I don't think any false promise was made about the options available.

Bank of Ireland sent its final response in September 2022 and explained why it didn't think it had done anything wrong and it set out again the only option Mr C and Ms J had to proceed with a rate switch was via an appointment with an adviser and a postal application. It asked Mr C and Ms J to contact them if they wished to proceed with this. I think this set out clearly again to Mr C and Ms J what they needed to do if they wanted to proceed. I acknowledge they didn't have their UK correspondence address set up to have post forwarded on, nor did they want to update their correspondence address to their current location, but this was a choice they made and it doesn't mean Bank of Ireland was acting unfairly when it said the process it needed to follow relied on post being sent and returned.

Bank of Ireland has not treated Mr C and Ms J differently to any other customer who had a mortgage on the legacy system when saying a new application was needed to move this to a new fixed rate product or that this needed to be done in the way I've described. It follows that I don't think they've been treated unfairly when told this was their only option.

In some of the earlier conversations Mr C had with Bank of Ireland, some of the agents he spoke with said there might be an option to send everything electronically. This was not correct as there was no option but I don't think this means Bank of Ireland need to do anything else now. An application could not have been made until Mr C or Ms J spoke with a specialist BTL adviser and at this point, the correct process was explained as well as the rates available at the time. Mr C was offered the option to have his correspondence address updated but he declined this option and instead a complaint was raised. Because of this the application wasn't completed and no offer was produced to be sent out and accepted but I don't think this was the fault of Bank of Ireland.

Overall, I've not seen anything to demonstrate Bank of Ireland needs to take any further action. I understand the volatility of the mortgage market since Mr C spoke with Bank of Ireland means they feel they have lost out with comparable rates now being very different. But I don't think it is fair to say Bank of Ireland made any false promises or stopped Mr C and Ms J completing an application to fix their rate sooner.

My final decision

For the reasons I've explained above, I don't uphold Mr C and Ms J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Ms J to accept or reject my decision before 29 December 2023.

Thomas Brissenden
Ombudsman