

The complaint

Mr S complains that Halifax hasn't applied a new fixed rate in line with an application he made in May 2023.

What happened

Mr S took out his mortgage with Halifax in May 2021. The initial rate on this was 2.38% fixed until 31 August 2023.

Mr S has explained he made an application on 12 May 2023 for a new rate to take effect for 1 September 2023 – Mr S has stated this was for a further two years at a rate of 4.85%.

Mr S contacted Halifax in August 2023 as he said he hadn't heard anything further regarding the application, which is when he discovered there was no record of the application. Mr S raised a complaint to Halifax about this and applied for a new product in the meantime to avoid reverting to the standard variable rate. This was for a fixed rate of 5.67% until 31 October 2028.

Halifax responded to Mr S's complaint in a final response letter of 10 August 2023. Halifax explained there was no evidence of an application being made and there were no documents produced following an application either. This meant Halifax wouldn't honour the rate Mr S stated he applied for in May 2023.

Our investigator looked at the complaint and agreed there was no evidence of an application and so they were unable to ask Halifax to do anything further. Mr S disagreed and reiterated an application was made and due to receiving no confirmation he contacted Halifax to find out more information. Mr S reiterated that he is now on a higher rate for a longer period of time.

The investigators opinion remained unchanged, and the complaint has been passed to me for a 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.

In doing so, I've decided to not uphold this complaint – for broadly the same reasons as the investigator. I appreciate this will be disappointing for Mr S, but I'll explain why I don't think Halifax needs to do anything else to put things right.

Our service does have to rely on the facts of a case – and when this isn't possible, we will determine the likely version of events on the balance of probability.

I don't dispute Mr S went to carry out an application on 12 May 2023 for a new fixed rate. Halifax has provided their system notes and there is no footprint of an application being

submitted – so it is evident an application didn't progress. Mr S feels there was system issues which prevented the application from being submitted, and Halifax have explained there were no system issues that day, so this wouldn't have impacted any applications being made.

Taking this into account, whilst Mr S may have started an application – I'm unable to identify any error from Halifax which suggests this meant the new fixed rate wasn't applied. In this case I'm not persuaded an error has prevented Mr S from completing an application and so it wouldn't be reasonable to ask Halifax to honour the rate Mr S has stated he applied for.

I do have to factor in when an application for a new fixed rate is made – similar to any material change to a mortgage – confirmation is sent out to customers. If a new rate is applied for, an illustration and product switch mortgage offer would be produced. Neither of these were produced and so this indicates the application Mr S started on 12 May 2023 did not complete.

Whilst I note Mr S's apprehension which led him to call Halifax in August 2023 to chase the status of his application, I would have expected Mr S to contact Halifax sooner if no confirmation or offer documents were received. As without this being received, it is unlikely the application would have been completed – which is what I believe happened in this case.

Overall, I'm not persuaded Halifax has made any error or prevented Mr S from completing a new fixed rate application on 12 May 2023. I appreciate Mr S does state an application was completed, but there is no evidence to suggest otherwise.

For this reason, whilst I appreciate Mr S may be disappointed with my decision, I won't be asking Halifax to do anything further.

My final decision

For the reasons I've explained above, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 2 May 2024.

Thomas Brissenden
Ombudsman