

## **The complaint**

Mr and Mrs E have complained that, due to IT issues caused by Bank of Ireland (UK) Plc trading as Post Office Financial Services (referred to here as BOI), they missed out on their chosen mortgage interest rate product in September 2020 and had to take a new product at a higher rate of interest in October 2020. To settle the complaint Mr and Mrs E would like BOI to honour the pre-October 2020 interest rate product.

Mr and Mrs E are also unhappy at the way BOI dealt with their complaint.

## **What happened**

The events leading up to the complaint have been set out in detail in correspondence between Mr and Mrs E, BOI and our investigator, so I will not repeat the details here.

Briefly, Mr and Mrs E have a mortgage with BOI. It was on an interest rate product that was due to expire on 30 November 2020. Mr and Mrs E had applied for that product online, by registering on BOI's online mortgage hub and completing the application online.

Mr and Mrs E say that they tried to access new interest rate products in August and September 2020, but the rates for existing customers were not displayed. Mr and Mrs E believe this was due to an IT error.

On 18 September 2020 Mr E sent a message to BOI through the online hub and after that there were various attempts made between both BOI and Mr E to discuss the matter. It wasn't until 8 October 2020 that Mr and Mrs E were able to proceed with their application. By this time, however, products previously available in September 2020 had expired.

Mr and Mrs E say that they have now had to take out a product at a rate of 2.71% (fixed to 31 December 2022) which they say is costing them £300 a month more than the product they could have had in September 2020, but for BOI's IT errors. In January 2021 Mr and Mrs E asked BOI if it could offer them better rates, due to vulnerability. After investigating their circumstances, BOI explained to Mr E on 28 January 2021 that he and Mrs E didn't meet the criteria to be classified as vulnerable customers.

Mr and Mrs E complained to BOI that they hadn't been able to access the rates available in September 2020, but the bank didn't uphold the complaint. In its final response letter, BOI explained that, after receiving Mr E's online message, it had tried numerous times to contact Mr and Mrs E by telephone, but wasn't able to do so. BOI said Mr and Mrs E weren't registered for online access to new products, which is why they couldn't view the new rates online.

Mr and Mrs E were unhappy with BOI's response and complained to the Financial Ombudsman Service. An investigator looked at what had happened, but didn't think the complaint should be upheld. Although she acknowledged Mr and Mrs E disputed the number of times BOI said it had tried to contact them, the bank's records showed how many calls had actually been made.

The investigator also obtained some further information from BOI about its online portal. The bank explained that Mr and Mrs E had registered for the online mortgage hub in September 2018 when they applied for their previous product. Once the application was completed, the hub could only be used to send messages to BOI; to access new rates, further registration would be needed. The investigator noted Mr and Mrs E had tried to access the portal various times in September 2020, but they'd had password problems.

The investigator was satisfied that, after Mr E had messaged the bank in September 2020, sufficient steps had been taken by BOI to contact Mr and Mrs E. Whilst she noted that Mr and Mrs E couldn't have known they'd need to register again in order to access new rates, she clarified that we can't tell BOI how to run its business.

Mr and Mrs E weren't happy with the investigator's findings and asked for an ombudsman to review the complaint. They say that, during the pandemic when it was difficult to contact BOI over the phone, the bank failed to communicate the alternative options which they could use to manage their accounts. In particular, the second level of registration to access new products wasn't explained. Mr and Mrs E also dispute the number of times BOI tried to call them. Mr E says he only had two voicemails from BOI, and wasn't able to call back because he was busy at work.

### **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've reached the same conclusion as the investigator. These are my reasons.

First of all, I accept that Mr and Mrs E couldn't have known that they would need to re-register in order to access new rates online. BOI has explained that, once the September 2018 application completed, this closed off the portal other than for messaging purposes.

I don't have any power to tell BOI how to run its business, including how it sets up online access for customers. I can see that Mr E was able to message BOI via the portal. I can also see that there were various attempts to access it, but this wasn't successful due to password problems.

But I see that, after receiving Mr E's message via the mortgage hub on 18 September 2020, BOI tried to contact him several times. Mr and Mrs E dispute the number of calls made by the bank, but they are shown in BOI's contemporaneous records. In any event, Mr E acknowledges he received two voicemails from the bank but was too busy to call back.

Overall, I'm satisfied BOI's efforts to contact Mr and Mrs E were reasonable. If two voicemails weren't returned, I don't see what more the bank should have done. It wasn't until early October 2020 that Mr and Mrs E were able to discuss a new product with BOI.

The crux of this complaint is that Mr and Mrs E say they lost out on a lower interest rate product because they weren't able to access the available rates before the end of September 2020. On their complaint form they have told us that they are £300 per month worse off as a result.

They've not said what that specific product was which would have saved them so much money each month, but the rate Mr and Mrs E eventually took out in November 2020 was for a 60% loan-to-value (LTV) product at a fixed rate of 2.72% expiring on 31 December 2022. The monthly repayment during the fixed rate period is £634.88.

What I have to decide is whether, in fact, Mr and Mrs E's current mortgage product is (as they claim) costing them £300 per month more than the available BOI products they say they could have taken out in September 2020 – which would have given them a monthly repayment of around £335 (compared with the £634.88 they are now paying).

I've looked online and can see from BOI's intermediaries portal that the only 60% LTV two-year fixed rate products expiring on 31 December 2022 which were available up to 24 September 2020 were at 2.87% or 3.11% - so at a higher rate of interest than the 2.71% two-year fixed rate product Mr and Mrs E actually took out in November 2020. Given this, I'm not persuaded Mr and Mrs E had sourced a BOI product which was withdrawn in September 2020 and which would have given them a monthly repayment of approximately £335 per month. So although Mr and Mrs E say they are now £300 a month worse off, the evidence doesn't persuade me that this is, in fact, the case.

I appreciate Mr and Mrs E were put to some inconvenience in trying to discuss a new product with BOI. But in all the circumstances, I'm not persuaded that they are, as they have told us, £300 a month worse off on the rate they took out in November 2020 compared with the rate they say they could have taken out in September 2020.

Mr and Mrs E are also unhappy with the way in which BOI dealt with their complaint, but that's not something I can consider here. Our rules only allow us to consider complaints about regulated activities, and complaint-handling isn't a regulated activity. BOI had eight weeks from the date the complaint was made on 30 October 2020 to respond. The final response letter was issued on 17 November 2020 and addressed the complaint.

I appreciate this isn't the outcome Mr and Mrs E were hoping for. But after taking note of what they've told us, I'm not persuaded they have suffered any financial loss as a result of not being able to access the products available in September 2020.

### **My final decision**

My final decision is that I don't uphold this complaint.

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs E to accept or reject my decision before 27 July 2021.

Jan O'Leary  
**Ombudsman**