

## **The complaint**

Mrs W complains that Santander did not tell her upfront that she could reserve an interest rate product for 14 days and as a result, she has ended up paying a higher interest rate than when she first enquired.

## **What happened**

Mrs W received a letter from Santander letting her know that new rates were available as her existing rate was coming up for expiry.

Mrs W went online and saw two rates different rates one with a booking fee and one without. She called Santander the same day to ask whether it would be beneficial to have a rate with a booking fee. The call handler explained that Mrs W would need to speak to one of its mortgage advisers on this point – but after waiting on hold for around 25 minutes, the call was disconnected.

Mrs W says she spoke to her own mortgage advisor in this time and then noticing rates had increased, called Santander back on 15 June 2023 to see if the rate would remain the same for the whole day. She then spoke to her mortgage adviser before going on to accept the rate the same day.

Upon accepting the rate online, Mrs W went on to see that she had 14 days to complete her acceptance – within which she could seek mortgage advice. Mrs W completed her acceptance and logged a complaint with Santander that this information had not been shared earlier.

Santander looked into the complaint but did not think it had made an error, so it did not uphold Mrs W's concerns and it declined to offer her the rate available on 5 June 2023. It explained that its call handler acted appropriately in trying to connect Mrs W with a mortgage adviser as they were unable to help Mrs W. And as she had called from a withheld number, they were unable to call her back following the call disconnecting. It did say it would provide feedback as to the placement of the 14-day window within which a consumer can complete their conversion to a new rate.

Dissatisfied with Santander's response, Mrs W brought her complaint to our service.

One of our investigators looked into the case but did not think it should be upheld. He agreed with Santander that it would not have been appropriate for the initial call handler to discuss the products with Mrs W, and highlighted that she had not asked whether the rate could be held during this call. He found that Mrs W had applied for several interest rate products with Santander across the years, so he thought she ought to be familiar with its process and he set out that the 14 day window was not a 'temporary hold' as Mrs W had referred to it as and that if she had not wanted to go ahead, she would need to cancel the application before starting a new one.

Mrs W disagreed with the investigator's assessment. She did not see the relevance of referring to the prior occasions she had applied for a rate switch with Santander. And while

she accepts Santander may not have made a mistake per se she thinks its unfair that it does not set out earlier on in its website that a consumer has 14 days to accept or decline the rate they have selected – enabling them to seek mortgage advice while the rate is secure.

As the complaint could not be resolved informally, it has been passed to me to decide.

### **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.

When considering what is fair and reasonable in all the circumstances, I am required by DISP 3.6.4R of the Financial Conduct Authority's ("FCA") Handbook to take into account:

'(1) relevant:

- (a) law and regulations;
- (b) regulators' rules, guidance and standards;
- (c) codes of practice; and

(2) (where appropriate) what [I consider] to have been good industry practice at the relevant time.'

I also focus on what I think is material and relevant to reach a fair and reasonable outcome. So, although I have read everything that has been supplied to me, I may not address every point that has been raised.

Having done all that, I don't think this complaint should be upheld. I realise this will be disappointing for Mrs W. But I hope the reasons I have set out below will help her to understand why I have come to this conclusion.

Mrs W is unhappy she was not told earlier on in the online process, or during her call with Santander's call handler, that she could essentially reserve a rate for 14 days while she sought independent mortgage advice before accepting the offer.

For me to uphold this case, I would need to find that Santander has made an error that led to Mrs W being treated unfairly. Having considered all the information from both parties, I am not persuaded that is the case here.

Mrs W chose to use an independent mortgage adviser rather than use Santander's advice service when applying for her rate switch. This is entirely within Mrs W's gift to do, but it does mean that in interacting with Santander, she is doing so on what is known as an 'execution only' basis.

This means Santander is unable to provide Mrs W with any advice during the application process – which would include, telling Mrs W that it would be in her best interests to secure a rate and utilise the 14-day window to reflect on whether it was the best rate available.

Mrs W disputes that Santander would be providing advice in telling her its products came with a 14-day window. But there are strict regulations on how a business may interact with a consumer on an execution only basis and conversations can easily stray into the grounds of giving advice. So, it is reasonable that Santander's call handler did not discuss the features of the products with Mrs W and instead, attempted to transfer her to a mortgage adviser.

It may have been the case that this information would've been disclosed had she been able to speak to a mortgage adviser on 5 June 2023, but that call was disconnected. While wait

times for all businesses were high at this time, I am not persuaded Santander not being able to connect Mrs W to a mortgage adviser on this day means this complaint should be upheld.

I can appreciate Mrs W's frustration that Santander's website does not share this information earlier on in the process – I accept it would have been helpful if it did. Santander is required to set out in its offers the period a consumer has to accept the terms being offered – so it would not be unusual to see this information contained at offer stage, once a rate has been selected, rather than as a disclaimer earlier on.

Taking everything into account, I do not find that Santander provided Mrs W with misleading information about its products or services or that it has made an error which has led to Mrs W being treated unfairly. So, it follows that I do not uphold this complaint.

### **My final decision**

For the reasons set out above, I do not uphold this complaint and I make no award against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 25 March 2024.

Lucy Wilson  
**Ombudsman**