

## The complaint

Mr R complains that Bank of Ireland's (BOI) online system didn't allow him to carry out a product switch online when it should've done. He feels he missed out on obtaining a more favourable rate as a result.

## What happened

Mr R has a number of Buy-to-Let (BTL) properties mortgaged with BOI. Some of Mr R's mortgages are held on an older legacy system, meaning customers cannot switch products online with these accounts. But some of Mr R's accounts have been switched to the new system, meaning he *should* be able to switch products online for these accounts.

This complaint relates to Mr R's mortgage account ending 7142 – which has three sub accounts. This mortgage is not held on BOI's legacy system.

Of Mr R's three sub accounts, numbers one and two were on a tracker rate and number three was on a fixed rate of 4.48% until 30 September 2022.

On 8 August 2022, Mr R used BOI's online portal to apply for a fixed rate product on sub account number three – as it was due to revert to BOI's more expensive standard variable rate. The offer was created and accepted on 10 August 2022. The new fixed product on sub account three was due to take effect from 1 October 2022.

At the time, sub accounts one and two were on a tracker rate which Mr R was happy with, so he chose not to fix a new rate at the same time as sub account three on 8 August 2022. However, as the Bank of England base rate was rising sharply later in August 2022, Mr R says he later decided it was best to fix sub accounts one and two as well.

Mr R says he called BOI on 6 September 2022 because he was unable to select sub accounts one and two using the online portal. Mr R says he was told that he should be able to switch products on the first two sub accounts and it's strange that he's unable to do so. He says the adviser suggested he make an appointment with a mortgage adviser (MA) which was likely to be around three weeks away. Mr R said he'd call back.

Mr R says he subsequently tried numerous times unsuccessfully to switch sub accounts one and two online. As such, he called BOI back on 9 September 2022.

Mr R says the adviser he spoke to took some time to investigate the matter but ultimately reached the same conclusion as the person he spoke to a few days earlier. So he was again advised to book an appointment with a MA. Mr R said he'd call back the following Monday.

A telephone appointment was arranged for Mr R to speak to a MA on 28 September 2022. Unfortunately, the MA told Mr R that BOI had recently withdrawn all fixed rate products and therefore he wasn't able to secure new rates on any of his mortgage accounts.

Mr R complained to BOI in November 2022. Mr R felt that he shouldn't have suffered financially as a result of an issue that wasn't caused by any fault of his own. To resolve his

complaint, he asked BOI to rework his two sub accounts and retrospectively apply a fixed five-year rate available in September 2022.

In January 2023, after updating his online password, Mr R was able to secure new rates on the two sub accounts. But those rates were higher than those on offer when Mr R says he initially tried to switch in September 2022.

BOI didn't uphold his complaint as it didn't accept it had done anything wrong.

BOI explained that Mr R could have selected all three sub accounts on 8 August 2022 in order to fix new rates. However, once he'd fixed a rate on sub account three, he then couldn't later switch products on the first two sub accounts without first cancelling the switch on sub account three or waiting for the switch on sub account three to take effect.

It also explained that Mr R was given the correct information during the calls which took place on 6 and 9 September 2022. It accepted that it's unfortunate that fixed rate products were withdrawn shortly before Mr R's MA appointment, but it wasn't unfair for BOI to do so.

BOI explained that there is no evidence to suggest that it was experiencing any technical problems with its website that prevented Mr R from securing the products he wanted. And therefore it isn't prepared to offer him a retrospective fixed rate product on his two sub accounts.

Mr R didn't feel BOI had resolved his complaint fairly, so he referred it to our service.

An investigator at our service looked into things and didn't recommend that this complaint should be upheld. She didn't see any evidence to suggest that BOI had done anything wrong or that there were any problems with its online system.

Mr R disagreed and asked for his case to be decided 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.

Having done so, I don't think this complaint should be upheld. I realise this will be disappointing for Mr R. But I hope the reasons I have set out below will help him to understand why I have come to this conclusion.

I appreciate the reason why Mr R decided not to fix new products on sub accounts one and two at the same time as he did on sub account three. Sub account three was on a fixed rate which was due to expire on 30 September 2022. Whereas sub accounts one and two were on tracker rates. At the time of switching sub account three, accounts one and two were still attracting a cheaper rate. So there was no reason to fix all three sub accounts at the same time.

There seems to have been some misunderstanding along the way that Mr R is complaining that he couldn't switch all three sub accounts simultaneously on 8 August 2022. That isn't his complaint. His complaint is that, after switching sub account three, he couldn't then do the same on sub accounts one and two a few weeks later when the rates became less favourable.

I've listened to the calls which took place on 6 September and 9 September 2022.

The call on 6 September was regarding mortgage account ending 3583. This account also comprises of three sub accounts – one on a fixed rate until February 2027 and, at the time, the other two were on tracker rates. Mr R asked some general questions about how to switch products on the sub accounts using the online portal. The adviser explained that Mr R was unable to switch the first sub account online as it was on a fixed rate, but he could do so with the other two sub accounts. Mr R also had a query about creating new email addresses in order to access his other mortgage accounts online. Mortgage account ending 7142 was not specifically discussed during this call.

The call on 9 September begins with Mr R explaining that he couldn't register his email address for his account ending 6883. The adviser was able to resolve this issue.

The conversation moved on and Mr R said he can switch products on some of his mortgage accounts online, but not others. The adviser said that this is likely due to some of Mr R's accounts being older mortgages on a legacy system. Mortgage account numbers starting 800 are newer and can therefore be switched online. But older mortgage accounts starting with 000, cannot.

The mortgage adviser said Mr R will need to book an appointment with a MA to switch rates on the 000 accounts. He said there was around a two week wait to see a MA but said it might be worth calling back the following Monday to see if there's a cancellation he can take sooner.

Mr R said that he was able to switch one rate online - presumably referring to sub account three on his mortgage ending 7142. He expressed concern that, if he had to wait for a MA appointment in order to switch rates on his other mortgages, the available rates would be higher. The adviser acknowledged that this was a possibility and stressed that all rates are subject to change. After a few more general queries, the call was brought to a close.

Importantly, during both above-mentioned calls, Mr R's account ending 7142 was not specifically mentioned. Mr R didn't say he was having any issues with switching products on sub accounts one and two. If he had, I'd have expected the advisers he spoke with to try to understand more about the issues he was having and answer his concerns. But throughout these calls, Mr R was asking general questions about using the online portal and registering his email address. And, in turn, he was given the appropriate answers.

The reason for Mr R's issues switching sub accounts one and two are outlined in BOI's letter dated 28 December 2022.

When he tried to switch products on the two sub accounts In September 2022, a switch was already pending on sub account three and due to go live on 1 October 2022. BOI explains that, once an application for a change in mortgage product is made, the online Hub doesn't allow new applications on the same mortgage account until the variation takes effect. In my experience, this isn't unusual or unreasonable as many lenders' online systems work in the same way.

Put simply, this means that between 8 August 2022 and 1 October 2022, Mr R wouldn't have been able to apply for new rates on sub accounts one and two without first cancelling the pending product switch on sub account three. So, after 8 August 2022, Mr R could either have waited until 1 October 2022 to apply for new rates on the first two sub accounts, or cancel the pending rate switch and reapply for a new product on all three sub accounts simultaneously.

That said, due to volatility and unpredictability within the money markets at the time, BOI withdrew all of its fixed rate products on 26 September 2022. I can appreciate why this was

frustrating for Mr R. But BOI was entitled to do so as it is under no obligation to offer new products. Furthermore, the adviser Mr R spoke with on 9 September made it clear that all rates were subject to change.

Mr R was also disappointed with the wait time for an appointment with a MA which was around two to three weeks. Due to the steadily increasing Bank of England base rate in August and September 2022, lenders were experiencing a huge increase in the number of calls and requests to speak to MAs. This led to longer wait times for appointments, both in person and over the phone. It follows that the wait time Mr R experienced for an appointment with a MA wasn't unusual or unreasonable in these unprecedented circumstances.

Ultimately Mr R is complaining that, as mortgage ending 7142 was a newer account, he should've been able to switch products on all the sub accounts using the online portal. Indeed, he was able to do so with one of them as originally intended, but this then prevented changes being made to the other two until the product was cancelled or completed. I've not seen any evidence demonstrating that Mr R told BOI that he was having a problem switching products on these sub accounts when he spoke with it on 6 and 9 September 2022.

As such, I can't reasonably say that BOI should've helped Mr R resolve a problem that hadn't been brought to its attention prior to Mr R making his complaint.

### **My final decision**

My final decision is that I don't uphold Mr R's complaint against Bank of Ireland (UK) Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 March 2024.

Arazu Eid  
**Ombudsman**