

## **The complaint**

Mr and Mrs H complain that Yorkshire Building Society created an ‘unreasonable post-sale barrier’ by timing their mortgage interest product to end on a Friday, preventing them from remortgaging until the following Monday.

## **What happened**

Mr and Mrs H applied for a mortgage with Yorkshire Building Society (YBS) in January 2015, for approximately £174,000. A copy of the mortgage offer dated 6 March 2015 shows the proposed mortgage had a 30-year term, on a capital and interest repayment basis and with a rate fixed at 3.44% until 31 January 2025. Mr and Mrs H’s mortgage with YBS started in April 2015.

When the mortgage interest rate deal with YBS was approaching its end, Mr and Mrs H opted to remortgage to another lender. But they found that the final day of their YBS interest rate deal was a Friday. And, as solicitors don’t work over the weekend, they found they couldn’t remortgage to their new lender until the following Monday – a delay of two days.

Mr and Mrs H complained to YBS. They said they were charged interest at YBS’ standard variable rate for two days because it timed their product to end on a Friday. They said that constituted an unreasonable post-sale barrier. Mr and Mrs H asked YBS to refund the additional interest they’d paid and pay them £250 as a gesture of good will.

In its final response letter dated 18 March 2025, YBS said it allows mortgages to be redeemed on any day of the week, but acknowledged the ‘CHAPS’ payment method does not operate on weekends, so, in practice mortgages are not redeemed at weekends where a remortgage occurs. It concluded by saying it hadn’t made an error or acted unfairly towards Mr and Mrs H.

YBS subsequently offered Mr and Mrs H a refund of the additional interest paid as a result of the two-day delay – £28.56. It rounded that amount up to £50 – offered as a gesture of goodwill, rather than an admission of an error or unfairness.

Dissatisfied with YBS’s offer, Mr and Mrs H asked us to consider their complaint. Our investigator didn’t agree that Mr and Mrs H’s fixed rate product ending on a Friday amounted to a post-sale barrier. He said he knew of no legislation or guidance preventing interest rate products ending on a Friday. And he thought YBS’ offer to resolve the matter was fair and reasonable.

Mr and Mrs H didn’t agree. So, their complaint has been passed to me to decide. They asked that in making my decision I consider external opinion on the matter and provided a link to an article commenting on the scenario they found themselves in when remortgaging at the end of their interest rate product with YBS.

## **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.

To decide Mr and Mrs H's complaint, I've thought about whether YBS dealt with Mr and Mrs H fairly and reasonably when they wanted to remortgage at the end of their mortgage interest rate product term. I say that mindful of the fact that Mr and Mrs H appear to want a decision on something slightly different – whether YBS designing a mortgage interest rate product which ended on a Friday amounted to an unreasonable post-sale barrier. I'll not decide that here, but I will explain why.

My role is to decide cases based on a careful consideration of their individual merits. It isn't my role to set precedents regarding the application of Financial Conduct Authority (FCA) principles. It isn't necessary here to establish whether YBS created an unreasonable post-sale barrier because its mortgage interest rate product ended on a Friday to reach a decision about whether YBS has treated Mr and Mrs H fairly and reasonably.

Mr and Mrs H's mortgage offer dated 6 March 2015 confirms that a fixed interest rate of 3.44% was applicable until 31 January 2025. YBS says all its interest rate products end at the end of a calendar month. And it's often the case throughout the mortgage industry that individual interest rate products expire on a specific date, rather than run for specific terms (such as two whole years). So, I think it's likely that the end date of Mr and Mrs H's interest rate deal happened to end on a Friday – because 31 January fell on a Friday in 2025 – rather than YBS designing its product in that way to obtain additional interest. It's worth noting here that there are nine months in 2025 that don't end on days of the week that will result in additional interest being charged in this way.

I have, as requested, considered the press article Mr and Mrs H kindly provided a link to. I agree with Mr and Mrs H that it is from a reputable source and it's my general opinion that source has the best interests of consumers at heart. The article itself is specifically about the issue Mr and Mrs H have complained about. However, it reaches no conclusions or even offers an opinion on whether the Friday (or weekend) end date amounts to an unreasonable post-sale barrier. Additionally, the article stated that the FCA declined to comment on this particular issue. Having considered the article carefully, I think it's written to give guidance to consumers about avoiding the associated additional interest. I don't think it was written as a criticism about an unfair industry practice – and I don't think it reaches that conclusion. So, I don't think it adds any weight to Mr and Mrs H's argument.

YBS has offered to refund the additional interest Mr and Mrs H were charged. I don't think it needed to do that because I don't think it made an error or deliberately timed its interest rate deal to charge additional interest. But I think it acted reasonably in offering to refund the additional interest to resolve Mr and Mrs H's concerns. They declined that offer along with one to round the 'redress' payment up to £50. As I think the offer of a refund of the additional interest – £28.56 – was a reasonable way of resolving the matter, YBS should refund that amount if it hasn't done so already. I'll leave it to YBS to decide if it still wants to round that figure up to £50.

For the reasons outlined above, I don't uphold Mr and Mrs H's complaint.

### **Putting things right**

YBS has offered to refund the additional interest Mr and Mrs H were charged. I don't think it needed to do that because I don't think it made an error or deliberately timed its interest rate deal to charge additional interest. But I think it acted reasonably in offering to refund the additional interest to resolve Mr and Mrs H's concerns. They declined that offer along with one to round the 'redress' payment up to £50. As I think the offer of a refund of the additional

interest – £28.56 – was a reasonable way of resolving the matter, YBS should refund that amount if it hasn't done so already. I'll leave it to YBS to decide if it still wants to round that figure up to £50.

### **My final decision**

My final decision is I don't uphold Mr and Mrs H's complaint about Yorkshire Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 14 August 2025.

Gavin Cook  
**Ombudsman**