

The complaint

Mr J is unhappy that The Royal Bank of Scotland Plc (RBS) won't agree to extend his mortgage by five years.

What happened

Mr J holds a mortgage with RBS. The mortgage is split into several sub-accounts, with some interest-only, and others on a capital repayment basis. The majority of the outstanding balance is interest-only.

Over a number of years, Mr J has been asking RBS to extend the mortgage beyond the current expiry, which is when he turns 70. In March 2024, Mr J spoke to RBS a number of times about extending the mortgage term by five years. RBS didn't agree to the extension, and Mr J complained that he'd been told it would be possible for the mortgage to be extended.

Responding to the complaint, RBS still wouldn't agree the extension, but it offered Mr J a total of £300 in compensation, on the basis it hadn't handled certain things as well as it should. Mr J referred the matter to the Financial Ombudsman Service. Another Ombudsman here issued a final decision on the case, in December 2024. In summary, they didn't think RBS had been unreasonable in declining the request for an extension, as under RBS's policy, the maximum age it would lend to where part of the loan is interest-only, was age 70.

The Ombudsman did think that RBS had given Mr J the impression that he may well be able to get the extension he was seeking. Taking everything into account, the Ombudsman concluded that the £300 RBS had already offered, was enough to put things right.

In June 2025, Mr J rang RBS to enquire again about the possibility of extending the mortgage by another five years. RBS's agent told Mr J he'd need to have an appointment with a mortgage adviser to go through this. During the same call, the agent told Mr J that it would only be possible to extend the mortgage beyond age 70, if the whole mortgage was switched to a capital repayment basis. Mr J said he understood this, and a subsequent appointment was arranged with a mortgage adviser for just over one week later.

An RBS adviser then telephoned Mr J the following day, to go over some things ahead of the advice appointment. Near the beginning of the call, Mr J asked if it would be possible to keep the mortgage on interest-only, and extend by five years. The adviser told Mr J that this would be possible.

Later in the same call the adviser apologised, said they'd made an error, and that in order to consider an extension beyond age 70 (to age 75), this would need to be with the whole mortgage being switched to capital repayment.

Mr J complained to the adviser that they'd given him incorrect information, that he'd relied on that information, and had lost out financially as a result. Mr J said he wanted to cancel the advice call that had been arranged for approximately one week later, and the adviser initiated a complaint about what had happened, on Mr J's behalf.

RBS responded to the complaint in writing. It conceded it had given Mr J conflicting information during the relevant call, and apologised for this. It said though that it had previously made its position clear to Mr J that it wouldn't be able to extend the mortgage beyond age 70, if part of it remained on interest-only.

Mr J remained unhappy and referred his concerns to the Financial Ombudsman Service. An Investigator here issued an assessment of the case. In summary, they agreed that RBS had given Mr J conflicting information during the relevant call, but they thought the apology was enough to put things right.

Mr J thought the Investigator had incorrectly and unfairly made assumptions about the impact of the conflicting information on him. After speaking with Mr J about his, I undertook to consider the merits of his complaint against RBS.

During our conversations, Mr J emphasised to me that RBS had a duty of care to give him accurate and precise information, that he'd relied on the incorrect information he'd been given, and that RBS must be made to give him the extension it had told him he could have.

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 outcome as the Investigator, for broadly the same reasons. Before I explain why, I acknowledge that Mr J feels very strongly about this situation. And that he cannot understand the suggestion that RBS's apology is sufficient.

As I've explained to him, I need to consider what both sides have said, and to decide what I consider to be fair and reasonable.

There are two key issues at the heart of this complaint:

- Is RBS saying that it won't extend Mr J's mortgage beyond age 70, unless it is switched to 100% capital repayment, fair?
- What is the impact of the misinformation Mr J was given in the early part of the relevant call, and does RBS need to do more than give an apology, to put things right?

RBS saying it won't extend Mr J's mortgage beyond age 70, unless it is switched to 100% capital repayment

The first thing to say here, is that the majority of Mr J's mortgage doesn't expire until 2031. Where an interest-only mortgage (or part interest-only mortgage) is due to expire in the near future (e.g. 12 months or less), a lender might need to consider whether extending the mortgage (for any period of time) is appropriate on forbearance grounds. But that's not the case here.

Another Ombudsman here recently concluded that RBS wasn't acting unfairly in applying its policy of not allowing the term of a mortgage to extend past age 70, where all or part of the mortgage is interest-only.

RBS says this has been its policy for many years, that it's explained this to Mr J on a number of occasions, and that the policy was the same when Mr J contacted it in June 2025 to ask about the possibility of extending the mortgage.

RBS is entitled to have a policy setting out a maximum age that it will lend to. Whilst I appreciate Mr J's desire for the mortgage to be extended for another five years without needing to switch to capital repayment, I can't see that in applying its standard criteria, RBS has treated Mr J unfairly - or that this results in particular hardship for Mr J. RBS is treating him the same as it would any other customer in the same circumstances.

In conclusion, I don't think RBS is acting unfairly, in applying its policy regarding term extensions.

The impact of the misinformation Mr J was given at the beginning of the relevant call

Before the call with the adviser where Mr H was given the wrong information, there was a prior conversation that took place between Mr J and RBS's agent on 29 July 2025. I've listened to a recording of this call.

In this call, RBS's agent told Mr J that for RBS to consider a term extension, Mr J would need to have an appointment with a mortgage adviser, who would assess his request, based on affordability. During the same call, RBS's agent clearly explains to Mr J that it won't be possible to extend the mortgage beyond age 70 if remaining on interest-only, and that an extension would only be possible if the whole mortgage was switched to capital repayment. Mr J said he understood this, and wished to proceed to arrange an appointment with an adviser.

There is no dispute that, in the following call that took place, RBS's adviser initially gave Mr J incorrect information, when he asked if it would be possible to extend the mortgage on interest-only terms. There is also no dispute that, later in the same call, the adviser realised their mistake and made it clear to Mr J that an extension would only be possible if the whole mortgage was switched to capital repayment.

However, there is a difference of opinion about what needs to happen to put things right. RBS has apologised, and believes that is sufficient. This is on the grounds that it had previously made Mr J aware of its policy on a number of occasions, and that the adviser corrected the position within the same call.

Mr J says this isn't the first time RBS has led him to believe it would grant him a term extension on interest-only, before then going back on that.

He says that, in the circumstances, RBS must be made to give him the extension it told him he could have. The starting point for the basis of a remedy where a consumer is given incorrect information isn't that they should get the thing they were incorrectly told. Rather, it is to consider what should've happened, i.e. Mr J shouldn't have been given any incorrect information. And then to consider the impact of the incorrect information having been given – including any potential financial and non-financial loss (such as compensation for unnecessary distress and inconvenience).

Mr J says he relied on what the adviser told him in the early part of the call, and that he'd made some kind of arrangements from this, such that not getting the term extension with part of the mortgage remaining on interest-only, has resulted in him losing out financially (and caused unnecessary stress and worry).

I've thought about what Mr J has said. But I'm not persuaded by it. I say this because the incorrect information Mr J had been given, was corrected within the same phone call. I find it highly unlikely that, during the part of the phone call with RBS's adviser where Mr J was under the impression he would be able to extend the mortgage without needing to switch the whole mortgage to capital repayment, Mr J had made arrangements with other parties such

that he's lost out financially. And Mr J hasn't provided any evidence in support of this.

Thinking about non-financial impact, whilst I accept that Mr J would've experienced some disappointment when he was told later in the call that he couldn't extend the mortgage on an interest-only basis, the context is important here. RBS had told Mr J on several occasions that it would only be able to consider a term extension, if the whole mortgage was switched to capital repayment. This includes the phone call that preceded the call with the adviser – where RBS's agent made it clear to Mr J that a term extension would only be considered if the whole mortgage was switched to capital repayment (and during which Mr J said he understood this). And, our Service had previously issued a decision agreeing that RBS was entitled to apply this policy.

With this in mind, I find that RBS's apology is sufficient.

Finally, I would note that it still seems open to Mr J to explore a term extension on the basis of switching the whole mortgage to capital repayment. RBS has said this would need to be considered from an affordability perspective, but if this is something Mr J wishes to pursue, he should contact RBS about this.

My final decision

My final decision is that I don't uphold Mr J's complaint about The Royal Bank of Scotland Plc, because I find that its apology is sufficient in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 16 December 2025.

Ben Brewer
Ombudsman