complaint

Mr and Mrs G complain that Santander UK Plc acted negligently by offering them loans without telling them about better mortgage rates.

background

Mr and Mrs G are unhappy because they've been on Santander's standard variable rate since their previous mortgage deal expired in 2011. When they went into a branch to ask about a loan they found out from an advisor that lower mortgage rates were available. They feel Santander should've told them sooner.

Our adjudicator didn't recommend upholding their complaint. She felt Santander hadn't been under any obligation to tell Mr and Mrs G sooner about mortgage deals it could offer. She said it was generally the consumer's responsibility to ask about lower rates.

Mr and Mrs G disagree. They believe that Santander knew if it had told them about better mortgage deals they wouldn't have had to take out three loans they've had over the last three years or so.

Mr and Mrs G asked for an ombudsman review so the complaint has been referred to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I agree with the adjudicator for the same reasons.

In response to our adjudicator's assessment, Mr and Mrs G have asked a number of questions they'd like answers to. So I'd like to explain that we offer an informal complaint handling service to try and help resolve disputes. My role is to look at all the circumstances and consider whether Santander has acted fairly and reasonably overall towards Mr and Mrs G, taking into account their particular circumstances.

My starting point is that I'd expect Santander to do all the things it is required to do correctly, and in a way that's fair and reasonable. That means I'd expect it to operate Mr and Mrs G's mortgage account in line with the agreed terms and conditions. I can't see anything to suggest that Santander didn't do that. It seems Mr and Mrs G had the benefit of the fixed rate deal they'd signed up to. And Santander wrote to tell Mr and Mrs G when that came to an end and they moved onto its standard variable rate.

But I can't fairly say that Santander had any obligation to send Mr and Mrs G information about other mortgage offers. Or that it acted wrongly, unfairly or unreasonably because it didn't try to sell Mr and Mrs G a new mortgage deal when they asked the bank about loans.

I hope that setting out my reasons in this way has helped explain how I've reached my decision, even though I appreciate this isn't the outcome Mr and Mrs G hoped for.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 18 February 2016.

Susan Webb
ombudsman