

## **The complaint**

Miss W and Mr W complain that Miss W has been unable to get Lloyds Bank PLC to apply a new fixed interest rate to her mortgage in the past. Miss W has recently secured a new rate for the mortgage, but says she should have been accepted for a new rate some years ago.

## **What happened**

Whilst this complaint is brought by both Mr W and Miss W, as the mortgage is in both their names, our dealings have been with Miss W. So I'll mainly refer to her in this decision.

Miss W said she'd recently been able to get a new fixed interest rate on her mortgage with Lloyds. But she said she'd asked for this before, in around 2010 and then again in around 2018. She said she was told then that she couldn't have a fixed rate, and she didn't think that was fair. She wanted to complain that she hadn't been helped by Lloyds in the past, she thought it had discriminated against her.

Our investigator explained that if Miss W had problems with her mortgage in 2010, she would be too late to complain about those now. He could look at what happened since July 2017, so Miss W asked us to look into what happened since then, particularly in 2018.

But when our service asked Lloyds about this, it said it just didn't have any record of Miss W asking it about a fixed interest rate for her mortgage in 2018.

Lloyds said it had paid Miss W £80 in compensation, because she told it she'd had a very distressing experience in its branch in 2018, but Lloyds said it didn't have any records to show that either. It had just taken Miss W at her word.

Lloyds has shown us the history of this mortgage, and that it has spoken to Miss W a number of times in the past about it. But it said that it couldn't see any record that it had spoken to her in 2018 about a fixed rate. Lloyds has told us that it cannot rule out that Miss W had asked about rates, and not gone ahead with an application.

Lloyds said that if Miss W had wanted a fixed rate in 2018 then it couldn't see any reason why that might have been refused. But it did say that in 2018, there was never a large saving to be made by going onto a fixed rate. And in the later part of 2018, the rate on Miss W's mortgage was already lower than the lowest available fixed interest rate – so if she had enquired about a fixed interest rate mortgage then, she would have been told that would actually increase her monthly payments.

Our investigator didn't think this complaint should be upheld. He said he hadn't seen any record of Miss W contacting Lloyds about a new fixed interest rate product between July 2017 and July 2023, when her new rate had been secured. He also said that Miss W's mortgage account was maintained well during this time, with no arrears and regular overpayments. So he thought that it would be unusual for Lloyds not to log and consider any request for a new interest rate. He couldn't see any reason why Lloyds would just have turned Miss W down.

Our investigator said that having weighed up all the evidence, he wasn't, on balance, persuaded it was more likely than not that Miss W requested a new interest product from Lloyds between 2017 and 2023. And he shared with Miss W the information Lloyds had given us, that Miss W wouldn't always have been better off by being on a fixed interest rate during this time.

Our investigator said he wouldn't ask Lloyds to do any more.

Miss W said she did ask for a fixed rate in 2018. She said she went into a branch then, and an appointment was made on the phone for a fixed interest rate. Miss W said she remembered them photocopying the information they'd asked for on the phone and she'd filled out and signed some paperwork. Miss W wanted her complaint to be considered by an ombudsman, so this case was passed to me for a final decision.

### **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.

I've reached the same overall conclusion on this complaint as our investigator. I'm sorry to have to tell Miss W that I don't think this complaint should be upheld.

I understand that Miss W recalls going into a branch, and asking for a fixed rate on her mortgage. She told us that she submitted documentation in support of her application, and signed paperwork. What she has told us about this, would suggest that Miss W did complete an application then. But Lloyds said that if Miss W had gone ahead with an application (which seems to me to be what she's describing now) then it would have a record of that. And it says it just doesn't have that record.

Lloyds says it does have a record of changes Miss W made to her mortgage well before this, it has set out the history of this mortgage for us. So it's surprising if Lloyds does have records going back well before this, but then doesn't have a record of this 2018 application.

I've also checked the payment history of Miss W's mortgage, as it was in 2018. It was in good order, and had been well maintained for some years before this, with modest overpayments building over time to put Miss W well ahead on her payments by 2018.

I've noted what Lloyds has told us, that a change to a fixed rate mortgage in 2018 would not, at any point in that year, have generated a marked saving for Miss W. Towards the end of 2018, a change to a fixed rate would have meant an immediate rise in her monthly payments.

On balance, I've reached the same overall conclusion on this complaint as our investigator. I just haven't been able to see that it's most likely that Miss W did ask Lloyds to put her mortgage on a fixed rate in 2018, and was then refused, for reasons which were unfair or discriminatory. I know that Miss W will be disappointed, but because of this, I don't think her complaint should be upheld.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Miss W to accept or reject my decision before 13 May 2024.

Esther Absalom-Gough  
**Ombudsman**