

The complaint

Mr and Mrs H have complained that the interest rate on a new mortgage deal with The Royal Bank of Scotland Plc (RBS) increased between Mr H calling to book an appointment and his appointment with the mortgage advisor. They would like the rate from the day he initially called to be honoured as RBS weren't able to offer him an appointment on the day he requested.

What happened

Mr and Mrs H's fixed rate mortgage with RBS was due to expire on 29 February 2024.

Mr H called RBS on 19 February 2024 to discuss a new rate. At that time, the interest rate for the mortgage he wanted was 4.99%. He says that at no time when the appointment was booked did the advisor say that the rate offered would be determined by the day of the appointment. Mr H says that he was unable to make the first appointment offered on 21 February 2024 as he was working but that if he had been informed of this then he would have taken time off work.

Mr H says that he wanted an appointment on 22 February 2024 but the next appointment available after this was 27 February 2024. He questions why RBS did not have enough staff to accommodate an appointment on the day he wanted.

The mortgage rate increased from 4.99% to 5.09% on 23 February 2024 which meant that Mr and Mrs H have had to pay the higher rate as his appointment was after this. Mr and Mrs H would like RBS to honour the lower rate.

RBS says that it is its policy to offer the rate available on the day of the appointment. It says that its records show that Mr and Mrs H were advised of this before the appointment and that they went ahead with the appointment on 27 February 2024 to fix the rate of 5.09%. It says that at no point was there a conversation with Mr H about what rates would be available on 27 February 2024. In relation to the appointment availability, RBS says that this is subject to supply and demand and notes that it was unfortunate that Mr H was unable to make any of the earlier appointments which were offered.

Our Investigator looked into Mr and Mrs H's complaint and did not think that RBS needed to take any further action based on the information he had seen. He said that Mr H demonstrated during the call on 19 February 2024 that he was aware that the rates could change as this appeared to be his primary concern. Although the advisor had not explicitly said to him that he could only apply for the rates which were available on the day of the appointment, the Investigator concluded that Mr H had been reasonably aware that the rates could change at any time. The advisor therefore tried to get the earliest possible appointment for him.

The investigator said that RBS could not be penalised for how busy its mortgage advisors were due to helping other customers. He noted that it was unfortunate that Mr H was unable to take the earliest appointment offered on 21 February 2024 as this was not convenient for him and found that eight days was not an unreasonable amount of time to have booked the earliest appointment which was convenient for Mr H. Overall, the Investigator was satisfied that Mr H was treated fairly and in line with other customers.

Mr and Mrs H disagree with this so the case has come to me to make a decision. Mr H says that he was misled as it wasn't spelt out clearly to him during the call that the rate of the mortgage is decided by the day you have the appointment.

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 looked at the evidence I agree with the Investigator's view for broadly the same reasons and I've explained my reasons further below.

I can see that RBS issued Mr and Mrs H a letter in August 2023 – around six months prior to their mortgage rate expiring – to advise that the rate was coming to an end on 29 February 2024. The letter set out that if they didn't take any action, they would move onto the standard variable rate (SVR) at the time and provided the current SVR and what this would mean for their monthly repayments. The letter stated "*Please be aware that this rate can change at any time, so it's important to consider whether you'll still be able to afford your monthly repayments if this rate increases.*" The letter invited Mr and Mrs H to move to an alternative deal with a lower rate should they wish to do so and explained that they could either renew the mortgage online without advice or call to book an appointment with one of its mortgage advisors.

RBS has also said that reminder emails were sent to both Mr and Mrs H in around October 2023 and December 2023. The emails again set out that the current deal was coming to an end and that Mr and Mrs H would move onto the SVR if they didn't take any action. It again provided their options in relation to moving to a new deal of either renewing online or booking an appointment with a mortgage advisor.

I note that RBS's records show that Mr H called RBS on 4 October 2023 as his rate was coming to an end and he was given an indicative quote. He asked the advisor during that call if they knew whether the rates were going up or down and was told that they couldn't advise on current trends. He was told that the current rate ended on 29 February 2024 and that he could look at a new rate up to six months in advance, which it was at the time of the call. He mentioned moving to a new lender as he could get a better offer elsewhere and was told that he could do this without any early repayment charge from 1 March 2024. Mr H was unhappy with the increase in rates and said the policy needed to be changed. Mr H chose not to book a new rate at this time.

I have listened to the call which took place on 19 February 2024. Mr H asked the advisor what the best rate was for a two-year fixed rate without a fee and was told that this was 4.99%. Mr H asked if the rate was likely to go up or down and the advisor confirmed that she wouldn't know this. Mr H asked again if the rate was likely to change and the advisor again confirmed that she didn't know this and neither would the mortgage advisors.

I wouldn't expect RBS staff to be able to tell Mr H about when interest rates may change in the future and whether they were likely to go up or down. So I don't think that the advisor did anything wrong in saying that she was unable to advise what would happen with the interest rates. I also note that Mr H was told the same thing when he called in October 2023.

The advisor offered to book Mr H an appointment with a mortgage advisor and he said that he was free on Thursday 22 February 2024 and asked for an appointment at around 10am. The advisor said that she would see what was available but noted that they were now running short of time. She said that there was no availability for the 22 February and offered an appointment on Monday 26 February, which Mr H said he couldn't do. She then offered two appointments on Wednesday 21 February and asked if he could do either of these times. Mr H couldn't make these. Mr H then asked if there was an earlier appointment on

Monday 26 February as he started work at 11am. He was then offered the appointment at 9am on 27 February, which he accepted.

Mr H has complained about the fact that RBS did not have enough staff to accommodate an appointment for him on the day he wanted. The advisor did note on the phone that there were only ten days left until the existing deal expired and that they were running out of time. In any event, the first appointment offered to Mr H was within two days of the phone call – on 21 February. However, neither this, nor the two appointments offered on 26 February, were convenient for him. Whilst it is unfortunate that RBS had no appointments available on the specific date requested by Mr H, I have to bear in mind that this was only three days from when he called. And the appointment which was convenient for him was only eight days after the call.

I also note that Mr and Mrs H were advised around six months earlier that their rate was ending and that they could renew their deal at any point after that until it expired on 29 February 2024. They were also made aware that they had the option to renew online as well as by having an appointment with a mortgage advisor.

So I can't say that RBS has acted unreasonably in respect of the length of time Mr H had to wait for the appointment in the circumstances.

Mr H says that it wasn't spelt out to him that the rate of the mortgage offered was determined based on the day of the appointment with the mortgage advisor. Whilst I accept that the advisor didn't explicitly state this to Mr H, there was no requirement for RBS to spell this out. It would be standard practice in the industry that an interest rate would not be guaranteed before any new product had been applied for. And RBS had already made clear to Mr and Mrs H that rates are subject to change.

It is clear from the call that Mr H was concerned about whether the rates would go up or down and when. It seems to me that – if he thought the rate was determined by the date that the appointment was booked – it would be irrelevant whether the rates changed in between then and the date of the appointment itself.

I also note that Mr H emailed the mortgage advisor on 26 February 2024 saying that he had called to book an appointment on 19 February 2024 but the earliest appointment was 27 February 2024 due to "*a lack of appointments and representatives working for the bank*". He went on to say "*The rate at the time for residential was 4.99%. Between the time of phoning and the date of the appointment with you the rate has gone to 5.09%. I don't think that I should have to have the new higher rate just because staffing levels at the bank are not sufficient to deal with demand. For that reason I think it only fair that the residential rate should stay at 4.99%.*" The mortgage advisor responded that as Mr H had requested an advised level of service, RBS's policy was that the rates offered are the ones on the day of the appointment and asked if he still wanted the appointment.

Had Mr H been under the impression that the rate was based on the day the appointment was booked then I don't think he would have emailed the mortgage advisor to ask them to honour the earlier rate, as he would have assumed that this would be what would happen automatically. So I am satisfied that Mr H was aware that the rates could change and that – if they did – the rates as of the day of the appointment would be the rates he was offered. Mr H also chose to continue with the appointment on 27 February 2024 having had this confirmed by the mortgage advisor on 26 February 2024.

For the reasons set out above, I don't believe the time taken between the request for an appointment and the appointment itself was unreasonable. And it follows that I don't think RBS needs to offer Mr and Mrs H the rate which had been available when Mr H called on 19 February 2024.

I know my decision will come as a disappointment to Mr and Mrs H, but I can't say that RBS has acted unreasonably in the circumstances of this case and I don't uphold this complaint.

My final decision

For the reasons I've explained above, I don't uphold this complaint and don't require The Royal Bank of Scotland Plc to do anything further.

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 29 July 2024.

Rachel Ellis
Ombudsman