

complaint

Mr and Mrs W are unhappy that delays in them being given an appointment with a mortgage adviser at Clydesdale Bank Plc meant that they could not have the mortgage product that they wanted. They have also stated that the complaint handler said that he was recommending that the lower rate be given to Mr and Mrs W, but this did not happen.

background

In late July 2013 Mr and Mrs W wrote to Clydesdale about the renovations they had completed and were planning for their property. They informed Clydesdale that they wanted to split the title for the property and gave details of what this would involve. They wanted to retain the existing mortgage on the larger part of the property after the split. They went on to explain that if this split was approved by the bank, they would like to add a new mortgage product to the existing loan. Mr and Mrs W asked that someone from the bank contact them to discuss the process of splitting the title and the paperwork for applying for a new mortgage product.

It does not appear that Clydesdale responded to this enquiry.

In early August 2013, Mr W chased Clydesdale about the enquiries that had been made in the earlier letter. He has said this happened several times and that he eventually got to speak to someone on 9 August 2013. He was told that he would need to speak to a mortgage adviser. An appointment for a telephone interview was made for 28 August 2013. This was the first available appointment.

The interest rate product that Mr and Mrs W had wanted to apply for was withdrawn on 23 August 2013.

Mr W discussed their mortgage requirements with the mortgage adviser on 28 August 2013. During this conversation, Mr W was advised that the interest rate product he had wanted was no longer available. He decided to go ahead with the mortgage application with a different interest rate product attached to it.

Mr and Mrs W provided a chain of e-mails between Mr W and a complaint handler at Clydesdale. This chain of e-mails indicates that the complaint handler would contact the 'products team' to see whether it would be possible to alter the interest rate product attached to the mortgage to the one Mr and Mrs W had wanted. Clydesdale has confirmed that the relevant department has no record of this request and can't confirm whether the request was made.

Clydesdale partially upheld Mr and Mrs W's complaint. It said it was not responsible for Mr and Mrs W not getting the interest rate product they wanted. However, it accepted that there were delays in processing the application. This had meant that the product they did attach to their mortgage should have been in place a month earlier than it was. Clydesdale refunded the difference in interest for that month, plus interest to the date of settlement.

Our adjudicator did not uphold the complaint. He believed that it was regrettable that the rate that Mr and Mrs W wanted was no longer available by the time they had their mortgage interview. However, he could not ask Clydesdale to apply that rate to their mortgage.

Mr and Mrs W did not accept the adjudicator's view of their complaint. They believe that had there not been the delay in them being given an appointment to speak to an adviser, they would have secured the lower interest rate.

Mr and Mrs W reiterated that the original complaint handler had recommended that the lower rate be applied to their mortgage as, among other things, he had identified nine days of delay in their mortgage application being processed. They still do not know why the recommendation was rejected. They also do not believe that it is acceptable that Clydesdale does not have any record of the conversation Mr W had with the complaint handler on 18 December 2013.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

The series of events this complaint relates to starts with Mr and Mrs W's letter in July 2013. In this they ask to be contacted about the process that they have to go through in order to split the land/property on which they held a mortgage with Clydesdale. They confirmed that *if* Clydesdale agreed to this alteration, they would then want to add an interest rate product to the mortgage.

The evidence I have available to me does not indicate that Clydesdale responded to this letter. I consider that Clydesdale should have responded and in not doing so, it fell short of the level of service that Mr and Mrs W could reasonably have expected. However, Mr and Mrs W had indicated that they would only be adding an interest rate product to the mortgage *if* the change in title was approved. Given this, I am not persuaded that if Clydesdale had responded to the letter it would have entered into discussions about an interest rate product at that time. This is something that it would only have brought up once it had approved the split in title. Therefore, I don't think that Mr and Mrs W would have been advised that they needed to speak to a mortgage adviser any earlier than they were.

It is clear that there was a two week wait to be able to speak to a mortgage adviser. This would not be ideal, but I do not believe that it was a completely unreasonable period for Mr and Mrs W to have to wait. Therefore, I am not persuaded that Mr and Mrs W would have spoken to an adviser or applied for a product any earlier than they did. As the product that they wanted was no longer available at that point, it simply was not possible for them to apply for it. I can't find that Clydesdale did anything wrong that directly led to Mr and Mrs W not being able to apply for the interest rate product that they wanted.

Mr W had a conversation with Clydesdale's complaint handler on 18 December 2013. It is unfortunate that there is no record of the conversation and it is less than I would have expected. However, I do not consider that just because there isn't, that Clydesdale is hiding something or has done something wrong. Given that the complaint handler was new and in training, it is entirely possible that he simply didn't make any notes, not being aware that he should. It would be entirely inappropriate for me to penalise a financial business just because it did not have records of something.

That said, it is clear that the complaint handler was intending to ask the relevant department whether the desired interest rate product could be attached to Mr and Mrs W. It is not clear whether he did so or not. However, I think it is clear from the e-mail to Mr W that this was

something that needed approval of another department. It was a possibility not an offer of something being done.

There is no information about why Clydesdale was not willing to give Mr and Mrs W the interest rate product that they wanted, if the request was made. Although I understand why Mr and Mrs W would like to know the reason the complaint handler's suggestion was not accepted, I don't consider that it is important to my consideration of this complaint. As I have said above, I haven't seen anything to indicate that Clydesdale caused a delay in the application being made and so it did not need to offer to give Mr and Mrs W the product that they wanted.

Overall, I do not consider that Clydesdale did anything that prevented Mr and Mrs W from obtaining the interest rate product that they wanted.

Mr and Mrs W have raised the issue that the complaint handler identified that there were nine days of delay in processing their application. There were delays after the application had been made, i.e. after the product had been withdrawn, and could not affect my consideration of whether Mr and Mrs W should receive that product. I also note that Clydesdale has already compensated Mr and Mrs W for these delays. Having looked at the compensation it has paid, it is in line with what I would have required of it.

my final decision

My final decision is that I do not uphold this complaint and I make no award against Clydesdale Bank Plc. Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs W to accept or reject my decision before 9 July 2015.

Derry Baxter
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