

## The complaint

Mr S complains that his buy to let mortgage lender Barclays Bank UK PLC caused a delay in the sale of his property.

## What happened

Mr S had a mortgage with Barclays. He decided to sell his property. A sale was agreed and solicitors instructed.

Mr S's solicitors, who I'll call C, asked Barclays for the deeds to the property so that the sale could go ahead. Mr S had agreed a sale at a reduced price in return for quick completion.

C asked for the deeds in April 2023. Barclays said it didn't have the deeds. They were with another firm of solicitors I'll call W. But Barclays didn't authorise those solicitors to send the deeds to Mr S's solicitor, it just said it didn't have them. Eventually Barclays requested the deeds from W, and sent them on to Mr S's solicitor. Barclays said it didn't know why the deeds were being held by W, as it had used a third firm – which I'll call E – to do the legal work when Mr S re-mortgaged in 2022.

The deeds were sent in late June, and the property sold, and the mortgage redeemed, in July 2023.

Barclays said in its final response that it accepted it had delayed in sending out the deeds, and offered £200 compensation for the upset and inconvenience caused. It said it had received the request from Mr S's solicitors on 25 April 2023, and didn't send the deeds until 21 June. But it didn't agree it had caused financial loss or jeopardised the property sale, because it said that paper deeds weren't required given that the property was subject to electronic registration.

Mr S didn't think that was fair. He said that the paper deeds were necessary. And he said that he'd incurred substantial extra legal fees because of his solicitors having to repeatedly contact Barclays and its solicitors, as well as additional expenditure in continuing to own the property for longer because completion was delayed. He also didn't think £200 compensation for the upset was fair given the amount of time he'd spent, and the inconvenience he'd been put to, in trying to resolve matters.

Our investigator found that W had acted for Barclays in the earlier re-mortgage. Barclays had initially instructed E, but as the property is in Northern Ireland, E passed the instructions on to W. W had then retained the deeds following completion of the re-mortgage.

W said that it was instructed to deal with Mr S's re-mortgage on 16 November 2022. The mortgage completed on 20 January 2023. It said that it submitted an application to the Land Registry on the same day. It said that on 18 April 2023 it received a request from C for the property deeds ahead of the sale. It said that registration of Barclays' charge at the Land Registry hadn't been completed yet so it couldn't release the deeds with Barclays' consent. Barclays instructed W to return the deeds to it on 12 May, but Barclays returned them because the mortgage deed wasn't included. Registration then completed, so W sent the

property deeds and the mortgage deed to Barclays on 1 June.

W said that it hadn't caused any delay. Timescales at the Land Registry are outside its control. And it said that in any case because the property was electronically registered at the Land Registry, C could have progressed the sale without the physical deeds.

Mr S said that wasn't correct. He said that physical deeds are required to progress a sale in Northern Ireland, so his sale was delayed because the deeds weren't available while they were being held by W.

Our investigator thought that W and Barclays had caused delays, but she didn't think that this had resulted in Mr S's sale being put at risk. She said that Barclays' offer of £200 compensation was fair. Mr S didn't agree and asked for an ombudsman to review his complaint.

### **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.

This complaint is about Barclays – but W as its solicitors were acting on its behalf, and to that extent Barclays is responsible for the actions of its agent.

Mr S completed on his new mortgage with Barclays in January 2023, but then decided to sell the property only a few months later.

By the time of the sale, registration of the charge hadn't been completed. The evidence shows that this was because W made an error on the initial application, missing off the folio number, which resulted in the Land Registry returning the application to W. It then took W some weeks to re-submit the application. I'm satisfied that but for this error, the registration of Barclays' charge would have been completed prior to Mr S beginning the sale process for his property. And I think it follows that had that happened, the deeds would have been released to Mr S in good time.

However, the fact is that it wasn't. The result was that the physical deeds were still with W. I've reviewed all the correspondence between C and W, and I've also considered the arguments Barclays and Mr S have put forward. In essence, this case turns on whether Mr S and C needed the physical deeds to progress the sale – as Mr S says – or whether – as W and Barclays say – they weren't necessary because C could have obtained all the information it needed itself direct from the Land Registry, and dealt with the issue of the registration and redemption of Barclays' charge via a special condition in the contract of sale.

Ultimately questions of what the law of Northern Ireland requires are a matter for the courts. But it's my understanding that, in most cases (including this specific property), there is now electronic registration in Northern Ireland. The property folio and lease could have been downloaded by C from the Land Registry; it wasn't necessary to obtain from W the copies W itself downloaded when progressing the mortgage. C said that it wanted to do so to avoid putting Mr S to further costs, but the costs of obtaining documents from the Land Registry are minimal. Similarly, C asked W for copies of the searches it carried out for Barclays (not for Mr S) during the re-mortgage to avoid it having to carry out searches itself – but W wouldn't release them as they were obtained for Barclays not Mr S and in any case would need updating. I'm not persuaded that possession of the physical deeds was required to progress the sale, or that W unreasonably prevented Mr S or C progressing matters.

As I say, it's not for me to resolve a dispute between C and W, two firms of conveyancing solicitors in Northern Ireland, on questions of conveyancing law and practice in Northern Ireland. What I have to decide is whether Barclays – or its agents – acted fairly. I do think there was some delay, in particular in progressing the registration of Barclays' charge following completion of the mortgage. But having considered all the evidence, I'm not persuaded that those delays created a situation in which Mr S's sale couldn't have gone ahead until the charge had been registered and the deeds released to C. W has said that this isn't an unusual situation and could have been dealt with through special conditions included in the sale. And while Mr S doesn't agree, nothing I've seen in the correspondence between C and W at the time suggests that it was wrong about that.

I'm satisfied that the delays caused Mr S frustration and upset. But I'm not persuaded that the sale couldn't reasonably have gone ahead in any case, or that it would be fair to require Barclays to compensate him for the sale not completing sooner than it did. I think Barclays' offer of £200 compensation is fair and reasonable in all the circumstances.

### **My final decision**

My final decision is that Barclays Bank UK PLC has made a fair and reasonable offer to settle this complaint, and should pay Mr S £200 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 June 2024.

Simon Pugh  
**Ombudsman**