

## The complaint

Mr O complains that Barclays Bank UK PLC gave him incorrect information about how much he would need to pay to redeem his mortgage. He also complains about the way that Barclays dealt with his subsequent complaint.

## What happened

On 18 October 2023, Mr O received a redemption statement for his mortgage with Barclays. He spoke to Barclays. Mr O said he was told how much to pay and that he should pay that amount to his mortgage current account (MCA). But by 23 October 2023, his mortgage had not been redeemed. Mr O spoke to Barclays again and it transferred the balance from the MCA to the mortgage, redeeming the mortgage. But Mr O said he was left with a balance in the MCA.

Mr O complained to Barclays and it issued a final response on 6 December 2023. But Mr O wasn't happy with the response because it didn't give him an "unreserved" apology and the compensation of £200 was too low. He followed up a number of times. But Barclays never responded.

Mr O wants £500 to resolve the complaint about the settlement of the mortgage. He wants £1,000 for the unprofessional way he considered Barclays responded to his complaint.

The investigator thought that Barclays offer of £200 was fair. She explained that once Barclays issued its final response it did not have to enter into further correspondence with Mr O.

Mr O did not accept what the investigator said. He made a number of points, including:

- He would consider the £200 and an apology as adequate compensation for the error alone on 18 October 2023.
- The investigator had let the bank off lightly.
- He is a customer without knowledge of banking. Barclays failed to help him do what he wanted to do on 23 October 2023. He deserves further compensation and an apology for that.
- The consequences of Barclays' failure to assist him meant that he incurred additional charges of £474.27 when he redeemed his mortgage. Barclays should at least refund that amount.
- Barclays only reply to him was on 6 December 2023. He did not think it was a final response. He believed Barclays had received his other letters and email but ignored them. Barclays behaviour was disrespectful, uncaring and unprofessional. That caused him mental distress and anguish – Barclays should apologise and compensate him for that.

The investigator reiterated that Barclays' offer of £200 was fair and in line with what we would expect. She said that Barclays gave Mr O the correct information in the call of 23 October 2023 and it had offered to refund the additional interest charged because of any delay between 18 and 23 October 2023. But Mr O withdrew amounts from his MCA on 23 and 27 October 2023 – that meant he was not in credit and therefore charges were applied correctly.

### **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 listened to the phone call that Mr O had with Barclays on 18 October 2023. I don't consider that Barclays gave Mr O incorrect information or that it told him to make a payment to the MCA. Mr O ends the call before Barclays could help him because he thought it was taking too long.

Mr O went on to pay the redemption amount to his MCA. That meant the mortgage was not repaid as he planned. But don't consider that Barclays was responsible for the fact that Mr O transferred the money to the wrong place. I agree that the call on 18 October was handled poorly by Barclays – it was unable to give Mr O any useful timely information or guide Mr O as it should have.

I've also listened to the phone call of 23 October 2023. Barclays told Mr O the redemption amount was in his MCA and he needed to pay it to his mortgage instead – and it arranged that for him. I can't see that it gave Mr O any incorrect information. Barclays offered to write off the additional interest charged because the mortgage was not repaid on 18 October 2023 – but he did not want to accept that. I consider the phone call was handled professionally, and that Barclays gave Mr O all of the information he needed.

I appreciate Mr O was confused. Barclays could have done more to help him in the initial phone call. But I don't consider it was responsible for the decisions Mr O made to transfer the redemption amount to the MCA and not the mortgage. Barclays has paid Mr O £200 for any distress and inconvenience caused by that.

I consider Barclays has made a fair offer, bearing in mind that it explained the correct position on 23 October 2023. It also covers the additional interest of just over £7 charged because of the delay in redeeming the mortgage. I accept that Mr O was distressed because of what happened. But I don't consider Barclays was entirely responsible for what happened. Taking that into account, bearing in mind the length of time it took to explain the correct position and the additional interest charged, I consider the £200 already paid is a fair way to settle this complaint. Barclays already apologised in its final response.

Mr O went on to withdraw £151.14 on 23 October 2023 and £158.51 twice on 27 October 2023 from the MCA. That meant the MCA was in overdraft. The redemption statements sets out that the MCA needs to remain in credit to avoid charges.

I can understand why Mr O thought the MCA was in credit and he could withdraw the amounts he did. But those amounts were left on the MCA to cover interest that had accrued before the mortgage was redeemed. So when he withdrew those amounts, the interest was no longer covered and the payments had taken the MCA overdrawn. That is why he needed to pay a further £474.27 to redeem the MCA. I can't see there was any error by Barclays

Once Barclays issued its final response it was no longer required to enter into further correspondence with Mr O about his complaint. So even if it had handled the further

correspondence from Mr O better than it did, the outcome would likely have been the same in any event. So I don't consider that Barclays needs to do anything further.

### **My final decision**

My final decision is that Barclays Bank UK PLC has already paid Mr O a fair amount to settle this complaint. It does not need to do anything else.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 12 August 2024.

Ken Rose  
**Ombudsman**