

The complaint

Mr H is unhappy that Barclays Bank UK PLC continues to pursue him for the balance of a mortgage when it hasn't demonstrated that it's valid.

What happened

Mr H took out a mortgage with Barclays in 1989. The mortgage is in joint names, but only Mr H is bringing the complaint. The amount borrowed was £56,000 on an interest only basis, over a 33 year term.

The mortgage term came to an end in August 2022. Mr H contacted Barclays in October 2022 to explain he was engaging with a third party to release funds to repay the mortgage but was having some difficulty.

Mr H spoke with Barclays again in January 2023 to say he was still having difficulties getting the third party to release the funds and was pursuing a complaint about that. Barclays applied a 30-day hold to the account to provide breathing space.

Barclays wrote to Mr H in early February 2023 requesting payment of the outstanding balance. Mr H wrote to Barclays to say it was aware of his situation and in the circumstances, it wasn't fair for it to be adding interest to the balance and chasing for repayment. In the same letter, Mr H asked Barclays to provide evidence that the debt was valid.

Barclays issued a Final Response Letter (FRL) dated 14 March 2023. It said that it didn't think it had acted unfairly, including by charging interest on the outstanding balance. In terms of the validity of the mortgage, Barclays said it had already provided Mr H with various documents in relation to the mortgage, including when the term had ended.

Mr H then sent Barclays a letter dated 13 April 2023, in which he said he had concerns that Barclays had committed fraud in relation to the mortgage. He asked a number of questions in relation to this and asked Barclays to respond.

Barclays responded to re-iterate that the balance remained outstanding and needed to be repaid and then later, in July 2023, it wrote to Mr H to say that unless a solution could be reached within 14 days, it may start repossession proceedings.

In February 2024, Mr H contacted the Financial Ombudsman Service to raise his concerns over what had happened. After we notified Barclays of the complaint, it issued another FRL dated 19 April 2024, within which it said that it had properly notified Mr H of when the mortgage was due to end and that the balance remained payable.

An Investigator here issued an assessment of the case. They said the complaint relating to the validity of the mortgage had been brought more than six months after Barclays had covered this within the FRL sent in March 2023. And although Barclays had also covered it within the FRL that it sent in April 2024, the answer it gave was the same and so this didn't mean the complaint issue had been brought in time.

The Investigator said they could though consider Barclays' actions seeking repayment of the balance. The Investigator said they didn't think Barclays had acted unfairly in this regard.

Mr H disagreed. He said he hadn't been aware of any six month limitation and that any delays had been caused by Barclays. He made a number of arguments about how he considered Barclays was committing fraud and said there was no such time limit relating to fraud. Mr H also raised a number of points about why he considered the mortgage was invalid and said that neither he nor his wife could find any paperwork from the when the mortgage was taken out.

As the matter was unresolved, it was passed to me to decide.

In another decision, I set out this service's jurisdiction to consider Mr H's complaint. I found that his concerns about the validity of the mortgage and Barclays committing fraud as well as the interest charged between the end of the mortgage term and when the FRL was issued in March 2023, had been referred to us too late and so are not matters that I can consider.

This decision focuses on the element of Mr H's complaint that I can consider – the actions Barclays has taken (including continuing to charge interest) after the FRL was issued in March 2023.

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 done so, I've reached the same overall outcome as that reached by the Investigator and for broadly the same reasons. Before I explain why, I want to set out the purpose of my role. It isn't to address every single point that's been made to date.

Instead, it's to decide what's fair and reasonable given the circumstances of this complaint. And for that reason, I'm only going to refer to what I think are the most salient points when I set out my conclusions and my reasons for reaching them. But, having considered all of the submissions from both sides in full, I will continue to keep in mind all of the points that have been made, insofar as they relate to this complaint.

Remembering that I've found the concerns Mr H has raised about the validity of the mortgage are outside of my jurisdiction, the start point here is that when his mortgage came to an end in August 2022, Barclays was entitled to expect repayment of the balance of the mortgage. Which was essentially the amount Mr H had initially borrowed, since the mortgage was on interest only terms.

Mr H has been paying the interest on the mortgage (which he used to purchase a property) since 1989. Whilst he raised questions about the validity of the mortgage after the term had ended (which I've explained I cannot consider), this didn't negate his responsibility to settle the balance and wouldn't have done so unless a court were to find in his favour on this point.

Contact notes indicate that when Mr H notified Barclays of the issues he was having gaining access to funds held with a third party, it showed understanding to his situation and gave a month's breathing space in January 2023. This was reasonable.

My understanding is that the mortgage balance remains outstanding and I can see that Mr H stopped making any payments towards the mortgage around January 2023. At the point Barclays wrote to Mr H in July 2023 to inform him it was considering starting repossession proceedings, the original balance remained outstanding and further substantial arrears had

built up.

I don't consider it was unreasonable for Barclays to have continued charging interest whilst the balance remained outstanding and I find that it was reasonable for Barclays to have decided to initiate legal action when it did.

Taking everything into account, I haven't found that Barclays has acted unfairly, or that any of its actions have created an unfair relationship with Mr H, so I won't be asking it to do anything further to resolve the complaint.

My final decision

My final decision is that I don't uphold the parts of Mr H's complaint about Barclays Bank UK PLC that are within my jurisdiction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 January 2025.

Ben Brewer
Ombudsman