

The complaint

Mr and Mrs H complain that Barclays Bank UK PLC delayed in providing Mr H with access to their new mortgage account through online banking, which delayed large overpayments they made to their mortgage. Mr and Mrs H wanted Barclays to refund interest.

What happened

Whilst this complaint is brought by both Mr and Mrs H, as the mortgage is in both their names, our dealings have mainly been with Mr H. So I'll mainly refer to him in this decision.

Mr H said Barclays had delayed in providing him access to his mortgage account through online banking. He said he was misadvised about how to resolve the problem, and wasn't told about daily online limits to the payments he could make. Mr H said Barclays told him he had to go into a branch to get access to his mortgage online, but that wasn't right. And he said promises made by Barclays about when he would be given online access weren't met.

Mr H said if Barclays had told him he could only move a maximum of £50,000 per day from his current account to his mortgage account, he would have arranged for a very large lump sum to be paid into an account he holds with a different bank, which has no such limits. He said because he wasn't told this, he then had to transfer his funds from Barclays to another current account elsewhere, where he could make the transfers he wanted through telephone banking.

Mr H said that he was in a position to start making overpayments to his new mortgage from 25 October 2023. He could have paid £48,500 then. And then he received a much larger lump sum, which he could have paid from 31 October. Mr H said he'd intended to pay that large lump sum off his mortgage on the same day. But he said these delays meant the first payment couldn't be made until 2 November, and it took until 14 November to move all of the money across and complete the overpayments.

Mr H said Barclays had upheld his complaint, but it had only refunded interest charged on this mortgage for 31 October and 1 November, plus a compensation payment of £300. Mr H thought the first payment could have been made on 25 October, so he said Barclays needed to refund interest it had charged from then, until 14 November, when the final payment was made.

Barclays accepted it had made some mistakes here. It said Mr H had two separate customer records, a pre-existing one for his current account and other personal banking, and a new one set up for this mortgage, which was drawn down on 24 October 2023.

Barclays said at first it had told Mr H that the mortgage would take around four days to show in his app, but when that didn't happen, Barclays told Mr H it may take longer. Barclays then identified that Mr H had two separate profiles, so the mortgage wasn't going to just show up on Mr H's app.

This had since been resolved, but Barclays accepted Mr H couldn't make payments through the app as early as he wanted to. And he couldn't make payments over the phone using a

card, because the value of the individual payments was higher than Barclays could accept through that method.

Barclays said it had upheld Mr H's complaint because he wasn't able to make online payments on 31 October and 1 November, but it didn't think it should refund more interest, for the time either before or after this. Barclays didn't think it should backdate the payments further, to 25 October, because it said Mr H didn't have the funds to make payment in his Barclays account until 31 October. And after 1 November, Barclays said Mr H had access to his mortgage account online, and could make payments within the daily limit.

Mr H said that the first tranche of his funds was available from 25 October, it was just in a different account. And he left it there, earning interest, until the problems with Barclays could be resolved. So he still thought interest should start to be waived from then.

Our investigator didn't think this complaint should be upheld. She said that when Mr H first spoke to Barclays, just after the mortgage was drawn down, the agent didn't pick up the issue correctly, and that caused a delay in sorting things out. On 30 October, Barclays found there was a duplicate profile for Mr H, and he was then told things would be sorted out in 24 hours. Mr H did have a frustrating time trying to resolve things, needing to call back through the app and rejoin the queue to be connected, then facing calls dropping out. However, he did manage to explain the problem, and that he needed to access the mortgage account by the next day.

Our investigator said the next day, on 31 October, Barclays was still trying to solve the problem. Mr H experienced further problems with calls dropping while he was trying to talk to Barclays, then was eventually told it would take two more days to solve the problem. On 31 October, Barclays also forewarned Mr H about the limits on transferring money.

The issue of accessing this mortgage through the app was finally resolved on 2 November, and Mr H started moving money to his mortgage then.

Our investigator said although Mr H wasn't aware of the daily transfer limits until 31 October, this information is available online, so she didn't think Barclays had to tell Mr H this too.

Our investigator said the funds Mr H was expecting were paid into his Barclays account on 31 October 2023, and that's when he told Barclays he needed access to the mortgage account, so she thought it was reasonable for Barclays to refund mortgage interest it had charged on 31 October and 1 November. Our investigator said she hadn't been able to see that Mr H had a first payment of £48,500 available on 25 October, as he'd said.

Our investigator agreed that Mr H had received poor service, and said she appreciated this was frustrating, but she thought £300 compensation was fair in the circumstances.

Mr H didn't agree. He said he could show he had the savings he'd mentioned, in a different account, and he sent us those statements. But our investigator didn't change her mind. She said Mr H had told Barclays he needed access to the account by 31 October. She could see he had savings available before this date, but she said that on 2 November 2023, Barclays had told Mrs H that either Mr or Mrs H could make an online transfer or payment in branch, or pay by cheque. Barclays gave Mrs H the details to make an online transfer on that call. So our investigator said there were other payment methods Mr H could have used.

Mr H continued to disagree. He said Barclays only offered alternative payment details on 2 November, and that was after 25 October, when he continued to argue the first payment would have been made. He said Barclays had offered no means of backdating payment.

Because no agreement was reached, this case was then passed to me for a final decision.

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 reached the same overall conclusion on this complaint as our investigator.

I think it's clear that Barclays has made a number of mistakes here. The problem with Mr H's duplicate profiles should have been picked up when he first asked Barclays why he couldn't see his new mortgage in its app. And I can hear that Mr H was given conflicting advice on how to sort out this problem, as well as how long this would take, on some of the calls he had with Barclays. So I appreciate this has been a deeply frustrating experience for Mr H.

So I don't have to decide here whether Barclays got something wrong. Clearly it did. What I have to consider, is whether Barclays has done enough to sort things out.

Mr H said Barclays should have warned him at the start that there were daily transfer limits of £50,000 on his payments to the mortgage. Barclays has shown us that this information was available to Mr H, and I don't think Barclays had to proactively offer that additional information on the calls I have listened to.

Mr H has argued that the payments he made to this mortgage should be backdated, with Barclays providing refunds in excess of the two days of mortgage interest it has already paid. He felt that should happen because he says he would have started making these payments much sooner, if he'd had proper online access to the mortgage account.

I have listened to a call Mr H had with Barclays on 31 October, when Mr H was told he needed to go into a branch to resolve the problems with two profiles. And on that call, I can hear the agent say to Mr H that he could make a third party payment of up to £50,000 per day, even if the mortgage wasn't linked to his online banking. We know that Mr H didn't then follow up this option, as he didn't start making payments until two days later.

I understand Mr H may have initially wanted to have the additional security of making his payments through the app, although he then told us he actually transferred the money to a different bank, and paid from there. But I do think that Barclays had told Mr H about other options to make the payments he wanted to make, from at least 31 October.

Mr H's argument is that he wanted to make these payments as quickly as possible, to avoid being charged extra interest. But I don't think I can assume that Mr H would have started to make payments to his mortgage on 25 October, when he was offered a method of making these payments on 31 October, and didn't immediately use it. So I don't think it would be fair and reasonable to ask Barclays to waive additional interest in this case, on top of the two days of interest it has already waived.

I also understand that Mr H spent a considerable amount of time on calls to Barclays, over the days when he was trying to resolve this issue. This was obviously frustrating, and I do think a payment of compensation is appropriate here. Barclays has already paid £300 in compensation for this. Mr H may like to know that this is in line with the award I would have suggested here, if no compensation payment had been made.

I understand that Mr H in particular feels strongly about this complaint, so I appreciate that my decision may be disappointing for him, but I don't think Barclays needs to do more here

than it has already done. As I hope is clear from the above, that's not because Barclays didn't make mistakes here. That's because I do think that the steps Barclays has already taken, provide a fair and reasonable outcome to this complaint.

My final decision

I don't uphold this complaint.

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 30 September 2024.

Esther Absalom-Gough

Ombudsman