

The complaint

This complaint's about an agricultural mortgage Mrs S holds with Barclays Bank UK PLC. The essence of the complaint is that Barclays hasn't done enough to support Mrs S since external problems and health issues impacted on her ability to meet the repayments.

What happened

The broad circumstances of this complaint are known to Mrs S and Barclays. I'm also aware that the investigator issued a comprehensive response to the complaint, which has been shared with all parties, and so I don't need to repeat all of the details here.

Our decisions are published, and it's important that I don't include any information that might result in Mrs S being identified. Instead I'll give a brief summary of the main points, rounding the figures where appropriate, and then focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint.

Mrs S took the agricultural mortgage out in 2020; it was intended to consolidate existing debts, some with Barclays, some that were external. We've received a separate complaint about how the mortgage was set up, and a fellow ombudsman is in the process of reviewing that.

After the mortgage began, Mrs S' business experienced various external pressures that impacted on its ability to generate income; this left her struggling with the mortgage repayments. Barclays agreed a number of three-month capital repayment "holidays": periods during which Mrs S was only required to pay the monthly interest on the mortgage. However, when she asked for another holiday in November 2021, Barclays said no; prior to that, it had also refused an application for additional lending Mrs S had made in July 2021, on the grounds it was unaffordable. However, it has waived the fees that would normally be charged as a result of direct debit payments to the loan causing her business current account to go overdrawn.

Mrs S was referred to Barclays financial assistance department and then in due course, to a specialist team within that. However, Mrs S has been very frustrated by her experiences of dealing with the specialist team. She says she's not been offered any help, and contact is extremely difficult. When she complained, Barclays defended its decisions, but accepted it should have been clearer in managing Mrs S' expectations about what it could do for her. Barclays offered Mrs S £200 compensation.

Mrs S brought this complaint to us, alongside the one she'd already made about how the agricultural mortgage had been set up. The same investigator has looked into both, albeit separately from each other. On the case before me here, the investigator thought Barclays had acted reasonably for the most part, but agreed that it had unduly raised Mrs S' expectations about what it could do to help. She agreed that the offer of £200 was fair and recommended Mrs S accept it. Mrs S has asked for the case to be reviewed by an ombudsman.

What I've decided – and why

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers. In doing that, we don't replicate the work of the courts.

We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service, and the remit those rules give us.

Mrs S has spoken openly and frankly about her and her husband's respective health issues, as well as Mrs S' difficult trading conditions. I don't reveal the details here, in order not to compromise their privacy, but it's clear they have been, and continue to be "up against it", so to speak.

In this decision, I deal solely with the complaint about how Barclays responded to Mrs S' requests for help since taking out the mortgage. As I said, her earlier complaint about how it was set up is being addressed separately by a fellow ombudsman. Meanwhile, if Mrs S wants us to look into her more recent concerns about what's happened with the overdraft on her business current account, that can be made as a separate complaint too, but Barclays will need to be given an opportunity to address it first before we will look into it.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In asking for a review by an ombudsman, Mrs S poses the question of what Barclays has done to help with her business cash flow problems since the mortgage started. The dispassionate answer to that is "quite a lot". It agreed to several capital repayment holidays throughout 2021, and has also waived the charges that would normally accrue on the business account when the loan instalments were paid despite there being insufficient funds.

It's true that Barclays wasn't willing to continue offering capital repayment holidays when it wasn't convinced Mrs S' situation was improving; but I can't fairly conclude that was an unreasonable decision in the wider circumstances. I have to take the same view about its decision not to agree to further lending in July 2021, at a time when Mrs S was struggling with the debt she already had. Banks are expected to be patient and flexible with borrowers in difficulties, and here I think Barclays has been both. But being patient and flexible, and treating customers fairly, doesn't simply mean agreeing to every request for help that it receives.

It's clear that Mrs S was hoping for more help from Barclays' specialist team than it was ultimately able to provide; in her eyes, it has been unprofessional and had told her lies it has then reneged on. I do understand Mrs S' strength of feeling, but taking a step back – as I must do – and taking an impartial overview, I agree with our investigator that it was more the case that the bank gave Mrs S an unrealistic expectation of what it was able to do. For that failing, which Barclays has accepted, I find the offer of £200 compensation to be fair. If no offer had been made, I would not have awarded more.

My final decision

My final decision is that I don't uphold this complaint. I'll leave it to Mrs S to decide if she wants to accept the settlement offer Barclays made to her. If she does, she can contact

Barclays directly. My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 12 September 2022.

Jeff Parrington

Ombudsman