

The complaint

Mr and Mrs G complain that Barclays Bank UK PLC didn't release the charge on their buy to let mortgage when they redeemed it.

What happened

Mr and Mrs G had a buy to let mortgage with Barclays and asked Barclays on 21 November 2022 for a redemption figure. They paid off this figure the following day and understood that Barclays would remove its charge on the property at the Land Registry. Mr and Mrs G contacted their solicitor who told them the charge was still in place. Barclays told them on 6 December that there remained a small surplus on the account and that the charge wouldn't be released until that sum was refunded. Barclays then processed this and released the charge on 13 December 2022.

Barclays accepted that the bank caused delays with the closure of the mortgage and offered £200 in compensation. Our investigator said that the offer from Barclays was fair and didn't recommend any further compensation. Mr and Mrs G disagreed saying in summary that Barclays lied to them about sending a letter of 22 November and a call on 28 December and not getting a closing statement from Barclays prevented them submitting a tax return. Mr and Mrs G emphasize that compensation is not the reason they brought this complaint but want Barclays held accountable.

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 seems a slightly unusual transaction. As I understand it this property was being sold and although being sold through a solicitor, the solicitor didn't request the redemption figure, but Mr and Mrs G requested the redemption figure and redeemed it before completion. Normally solicitors request a redemption figure well in advance of completion, but Mr and Mrs G asked and got one the day before they redeemed the mortgage. There was some delay in releasing the charge and some inefficiencies in Barclays managing out the closure of the account. Barclays refer to a letter sent on 22 November which it hasn't subsequently produced, and a closing statement being forwarded although Mr and Mrs G didn't receive it. Mr and Mrs G say that Barclays said that it phoned them on 28 December but have no record of the call. I've seen Barclays records which say that on 28 December 2022 at 14.04.19 that a call was made to customer's home. If Mr and Mrs G didn't get the call it may be that the call went to the wrong number.

I know Mr and Mrs G aren't interested in compensation, but it is a matter I should look at. We're not Barclays regulator so I can't penalise Barclays. But my role is to come to a decision on a complaint based on what's fair and reasonable. In deciding on compensation, I have to consider the impact on Mr and Mrs G. The big picture here is that the mortgage was redeemed within a reasonable period but not as swiftly as Mr and Mrs G expected and not

without some intervention by them. There are certain formalities to follow redemption, and these didn't operate as smoothly as they should have done. But Barclays redeemed the charge within a reasonable period. No major obstacles were put in Mr and Mrs G's way. Barclays seems to have referred to a letter, which I've seen no evidence of, that may have quickened the release of the charge, but that charge was removed within a reasonable period anyway.

Barclays seems to have tried to make a call to Mr and Mrs G on 28 December but didn't get through for an unknown reason but that does not appear to have had a significant impact on the progress of the complaint as they spoke with Mr and Mrs G on 6 January 2023. There appears to have been a delay in producing the closing statement but again that should not have had a significant impact on Mr and Mrs G as they were aware that the charge had been released by the end of December. Mr and Mrs G mention that it affected their ability to make a tax return but I've no evidence of the delay in submitting the return costing them money. But clearly Mr and Mrs G were put to some unnecessary trouble to get it sorted. After considering the matter at length I believe that £200 seems a fair figure for Mr and Mrs G's distress with how these issues were dealt with by Barclays.

Putting things right

Barclays UK PLC should pay Mr and Mrs G £200

My final decision

Barclays UK PLC has offered to pay compensation to Mr and Mrs G of £200 which I consider is a fair outcome to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 21 November 2023.

Gerard McManus
Ombudsman