

## **The complaint**

Mr E complains that Barclays Bank UK PLC made changes to his mortgage – which is in joint names – without his consent. Mr E asks that Barclays removes him from the mortgage account or pays £5,000 compensation.

## **What happened**

Mr E took out a joint mortgage. He says he agreed to this to help the other account holder buy a property. I'll refer to the other account holder as Mr F. Mr E says Mr F agreed he'd be taken off the mortgage account whenever he requested this. Mr E and Mr F are in dispute and Mr E wants to be taken off the mortgage account.

Mr E says he told Barclays about the dispute and it put a marital dispute marker on the account. He was told by Barclays that it wouldn't make any changes to the mortgage account without the consent of both parties. Despite this, Barclays agreed to product switches without Mr E's consent.

Mr E says Barclays didn't warn him about the risks of taking out a joint mortgage when he isn't on the property title and can't force a sale of the property. Mr E wants Barclays to remove him from the mortgage account. He says Mr F has been paying the mortgage for the last five years so this would be affordable.

Mr E says this is affecting his health, his ability to concentrate on other matters such as his work, and taking up too much of his time. His partner's health has also been affected to the extent that she can't work. Mr E is worried that Barclays will allow Mr F to take out further new products and he'll have to spend time asking for this to be corrected. He's also concerned that he won't pass affordability checks to re-mortgage his own house.

Barclays offered £300 compensation in late 2023 for Mr E having to chase it for a response. Our investigator said this should be increased to £500. He said Mr E had made it clear to Barclays that he didn't consent to a product switch. Our investigator said Mr E had spent a lot of time discussing the situation with Barclays and £500 more fairly reflected this. Our investigator said we can't fairly require Barclays to remove Mr E from the mortgage account.

Barclays agreed. It said it would pay £500 compensation and look into how it can improve its process to avoid further product switches being agreed without Mr E's express consent.

Mr E said £500 wasn't enough for the emotional and financial damage this caused him. He asked for £5,000. He said Barclays had told him it wouldn't apply a new rate without his consent while the marital dispute market was in place.

## **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.

Mr E is in a difficult position. He's jointly responsible for a mortgage on a property that he

doesn't own or live in. Mr E can't remove himself from the mortgage account. Mr E is in dispute with the other account holder. He's concerned that being named on this mortgage will mean he won't pass affordability checks for a mortgage on his own property.

Mr E says the risks involved in being joint party to the mortgage weren't explained to him. The mortgage was recommended by a broker, so Barclays didn't discuss Mr E and Mr F's aims and needs with them and it wasn't responsible for recommending a suitable mortgage. Barclays made it a condition to the mortgage offer that it received written confirmation that a solicitor had provided independent legal advice to Mr E relating to the proposed mortgage.

The mortgage product was due to end in late 2023. Mr E contacted Barclays as he wanted to stop a new product being applied. Mr E hopes this will encourage Mr F to find a way to remove him from the mortgage – while the mortgage is on Barclays' standard variable rate (SVR) monthly payments will be higher. It also means there'd be no early repayment charge if Mr F re-mortgages. Barclays agreed to put a marital dispute marker on the account and told Mr E that it wouldn't set up a new product without his consent.

Barclays received a product switch application from a broker in late 2023. It rejected the application as it only referred to one account holder. A second application was submitted by the broker saying he'd advised all borrowers and all borrowers had consented to the rate switch. Barclays offered a new product and notified the account holders.

Our investigator said Barclays should have been aware from its discussions with Mr E that he hadn't consented to the new product. I don't think that's reasonable. Mr E had previously said he wanted to stop a new product being taken out. And Barclays said this wouldn't happen without his consent. But the application from the broker said he had given consent. Barclays wouldn't have known that wasn't true – Mr E might have changed his mind after discussing the matter with the broker or reached agreement with the other account holder.

When he found out about the new product, Mr E contacted Barclays to ask it to cancel the product, which it did. Mr E told Barclays that whilst the marital dispute marker was on the account he didn't consent to any product switch. He asked Barclays to write to both account holders confirming the marital dispute marker on the account.

Barclays told Mr E that the marital dispute marker was in place and it would require consent from both account holders before going ahead with any changes to the mortgage. Despite this, a new product was applied to the account in early 2024. Mr E called and asked that it was cancelled. Barclays cancelled the product. However, due to the timing, the cancellation happened after the next payment date. Barclays says it re-worked the account to put it back into the position as if the switch hadn't happened.

Barclays says it was entitled to rely on the declaration from a regulated broker that both account holders had given consent. It says in such a case its rate switch process doesn't include checking whether that it's true that both account holders have given consent.

I don't think at this point it was reasonable for Barclays to rely on the application. Given what had happened previously, I think Barclays ought to have been alert to the risk that an application saying Mr E had given consent might not be true, even if it was submitted by a broker.

I don't think it's reasonable to require Barclays to remove Mr E from the mortgage. Barclays agreed to offer the mortgage to Mr E and Mr F on a joint basis. I don't think the errors it made are such as to make it fair and reasonable to require it to remove Mr E from the account. Mr E says the mortgage has been paid by Mr F throughout and must therefore be affordable for him. But rules on mortgage regulation require Barclays to carry out an

affordability assessment before agreeing to vary a mortgage. It would need to review income and expenditure information from Mr F and complete an application process.

This means, unfortunately, Mr E remains in a difficult situation which he finds upsetting and stressful. I think Barclays needs to find a way to stop a new product being applied to the account, even if an application purports to have the consent of both parties. Barclays says it's looking into this.

That leaves the matter of what amount of compensation is fair and reasonable. Mr E says he's been on the phone with Barclays every day for two months. He's taken sick leave and left one job because of this, and it's affected his performance at work. Mr E's partner has been similarly affected, and this will have added to his worry and upset.

Much of the worry Mr E has felt isn't due to errors by Barclays. The central problem here is that Mr E agreed to be party to a mortgage on the basis the other party would arrange matters so that he'd be released when he requested this. This hasn't happened and the joint account holders are in dispute. This must be very stressful for Mr E and his partner.

I can't fairly require Barclays to pay compensation for the distress caused to Mr E by the situation he's in – as I said Barclays isn't responsible for that. But I think it's fair that Barclays pays compensation for the additional upset, worry and inconvenience caused by its errors.

Mr E wants to stop a new product being applied so that the mortgage remains on the SVR. Although new products were taken out Barclays cancelled or reversed them. The mortgage account is in the position Mr E asked for – on the SVR.

This did cause Mr E inconvenience and upset. He was assured that no products would be taken out without his consent while the marital dispute marker was in place. I can understand how upset he was when a new product was taken out in late 2023 and especially when this happened again in 2024. This undermined his trust and meant he had to make checks on the account. Both times, Mr E had to contact Barclays to explain about the dispute, that he didn't consent to the product and to ask Barclays to remove the product.

Taking all of this into account, I think £500 compensation is fair and reasonable compensation for the additional upset and inconvenience caused by Barclays' errors.

I don't know if Mr E has spoken to an independent financial adviser about his options. He might consider doing so, especially if he wants to be in the best possible position for a potential mortgage application.

### **My final decision**

My decision is that I uphold this complaint. I order Barclays Bank UK PLC to pay £500 to Mr E and put a process in place to stop new interest rate products being applied to the mortgage without Mr E's consent.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 16 August 2024.

Ruth Stevenson  
**Ombudsman**