

The complaint

This complaint is about an offset mortgage Mr J hold with Barclays Bank UK PLC. The essence of the complaint is that Mr J isn't happy with how Barclays has calculated the interest on the account since he made a lump sum part-redemption in June 2023.

What happened

The broad circumstances of this complaint are known to Mr J and Barclays. I'm also aware that the investigator issued a detailed response to the complaint, a copy of which has been sent to all parties, and so I don't need to repeat all the details here. Our decisions are published, and it's important that I don't include any information that might result in Mr J being identified.

Instead I'll provide a brief summary, rounding the figures, 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.

Mr J made a lump sum payment of £100,000 in June 2023, which brought his balance down to around £32,000. Mr J holds around £56,000 in savings with Barclays, all of which should be offset against the mortgage for interest purposes. In July 2023, Mr J sent Barclays a letter of complaint, copied to this service, asking various questions about how the lump sum reduction had changed how his account was operating.

After eight weeks had passed without receiving a reply, Mr J asked us to look into it. Our investigator quickly established that Barclays had investigated the complaint and sent a final response on 4 August 2023, which Mr J had seemingly not received. The final response answered Mr J's questions; it also identified a mistake on Barclays' part in the linking of Mr J's savings against the mortgage, which had caused a nominal interest charge. To put things right, Barclays paid Mr J £15 to cover the interest, and £150 for his time and trouble.

Our investigator thought that was a fair response and at first, it seems Mr J did too. However, since then, Mr J has had further concerns with the ongoing accounting of his mortgage. He's sent us screen shots of the accounts from 2024, with further questions which the investigator had put to Barclays. Mr J remains unconvinced by the explanations Barclays has provided, and so the investigator has arranged for the complaint 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.

Under our rules, the subject matter of a complaint needs to have been referred to the business first, and the business given the opportunity to deal with it in a final response, before we can look into it. Once that happens, we can only look into the subject matter covered in the final response; in this case, that was Barclays' letter of 4 August 2023.

We can't investigate complaints 'on the fly' so to speak, with consumers adding new points along the way whilst our investigation is ongoing. Otherwise we risk a complaint becoming a continuously moving target that can never be concluded. Accordingly, my decision on this complaint is confined to the subject matter covered in Barclays' letter of 4 August 2023. Any concerns Mr J might have over what has happened since then would need to be the subject of a new complaint. I'll come back to that in due course.

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 concluded that the resolution action Barclays took to resolve the complaint of July 2023, as detailed in the final response of 4 August 2023, was fair and reasonable. It answered all of the questions Mr J had at the time, identified a mistake and provided a remedy that made good any financial detriment to Mr J and compensated him for his time and trouble. There's no reasonable basis for me to order Barclays to do anything further.

That doesn't mean Mr J has to take Barclays' word that everything has been as it should be since 4 August 2023. If Mr J has a real and substantive belief, (as opposed to merely not being fully persuaded by what the bank has said) that mistakes are still happening, it is open to him to arrange for the mortgage account to be audited by a suitably qualified and independent party.

The evidence of the audit could then be used as the basis for a new complaint to Barclays, underpinned by the evidence of the finished audit. That would give the bank the opportunity to consider and respond to it.

Mr J would have to meet the cost of the audit, albeit if errors were found that were to his detriment, he could reasonably expect Barclays to reimburse any reasonable cost of the audit as well as taking any corrective action the audit revealed to be necessary. And if that wasn't resolved to his satisfaction, Mr J would still have the opportunity to refer that complaint to us.

My final decision

My final decision is that I don't uphold this complaint. 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 Mr J to accept or reject my decision before 5 September 2024.

Jeff Parrington
Ombudsman