

The complaint

Mr D and Mrs B are unhappy with the service provided by the solicitors appointed by Barclays Bank UK PLC when they re-mortgaged to it. They have said they are unhappy:

- with the time taken to respond to emails;
- that they were asked for money they didn't owe;
- the solicitors mis-accounted for the £9,000 they had to contribute to the repayment of their existing mortgage on two occasions;
- they were not told about additional charges that were applied to the transaction.

Mr D and Mrs B are also unhappy with how Barclays dealt with them when they raised concerns. They feel its handling of the matter was poor and showed a lack of understanding.

What happened

Mr D and Mrs B applied to re-mortgage their home to Barclays on 15 March 2023. Barclays accepted their application and issued a mortgage offer on 17 March 2023. As Mr D and Mrs B had chosen the option to have 'free legal's', Barclays appointed a solicitor (hereafter referred to as 'O') to complete the legal work needed.

Despite being asked, neither party has provided any documentary evidence of the exchanges or activities that occurred between the point the solicitors were instructed and the re-mortgage completing on 3 July 2023. The only evidence we have been provided with for this period is a timeline produced by O, but with no supporting documentation.

Mr D and Mrs B called Barclays on 25 July 2023 to raise their concerns about the service they had received from O. Barclays passed Mr D and Mrs B's concerns to O.

O responded to the complaint on 31 July 2023. It set out a chronology of what had happened. It offered Mr D and Mrs B £80 compensation in full and final settlement for the errors that occurred during the process and because communication was not always as clear as it should have been. O also mentioned a misunderstanding regarding the money Mr D and Mrs B needed to contribute to repay their existing mortgage. No other details about what O considered it had done wrong were given.

Barclays responded in letters of 3 and 5 August 2023. It told Mr D and Mrs B that they should raise their concerns directly with O. This was because O was a third party, and so Barclays said it could not be held accountable for the service it provided.

Mr D and Mrs B were not satisfied with the response they received from Barclays and referred their complaint to this Service.

One of our Investigators considered the complaint. She explained to Mr D and Mrs B on 21 December 2023 that Barclays' duty was to appoint a competent, authorised professional to complete any legal work on its behalf, which it had done by appointing O. Barclays and O were separate to each other and so Barclays was not responsible for the actions of O. The

Investigator was satisfied that Barclays had not caused any delays in the processing of the mortgage.

Unbeknown to this service until very recently, on the same day, Mr D contacted O directly. He asked that the offer it had made be increased to £100 and confirmed that he and Mrs B would accept that sum to bring the complaint to a conclusion. This was agreed and the compensation paid.

Mr D and Mrs B didn't accept the Investigator's conclusions. They took exception to the Investigator saying that O was competent to complete the legal work due to the errors that had been made. In particular, they considered that it was '*totally unacceptable*' that we had not made any recommendations to Barclays to review their procedures.

As agreement couldn't be reached, it was decided the complaint should be referred to an Ombudsman for consideration.

Following reviewing the complaint file, I had the Investigator explain to Barclays that if it appointed a third party to complete part of one of the activities the Financial Conduct Authority (FCA) authorised it to undertake, it was responsible for that third party's actions. As O was assisting Barclays to complete the activity of 'lending money secured by a charge on land', Barclays was responsible for O's actions and the service O provided. As such, we asked Barclays to provide documentary evidence to support the timeline O had set out in its response to Mr D and Mrs B's complaint. Barclays didn't dispute that it was responsible for the actions of the solicitors. However, despite being given two opportunities to do so, Barclays didn't provide the evidence requested.

Mr D and Mrs B were asked to provide what documentation they had, but they told us that all the communications were contained within O's portal system and so they had nothing to provide for the period before the complaint was made.

I issued a provisional decision on this complaint on 13 August 2024, in which I set out my conclusions and reasons for reaching them. In summary, I concluded that as it had been acknowledged that O had made mistakes, it was appropriate for Mr D and Mrs B to be compensated. In the absence of documentary evidence, and in light of Mr D and Mrs B's account of the upset and inconvenience the issues had caused them, I was minded to award £250 compensation.

Mr D and Mrs B responded to the provisional decision. They informed me that they expected to receive a compensation payment of '*no less than £400 for all of the stress, wasted time and also as a "goodwill" gesture from Barclays.*'

Barclays provided evidence of the events that occurred from the point it passed over handling the re-mortgage to O, which it considered demonstrated that the complaint should not be upheld. In addition, it highlighted that Mr D and Mrs B had accepted an enhanced offer of compensation of £100 from O in settlement of their complaint. Barclays wanted this noted, as my provisional decision had said £80 had been offered, and didn't document that £100 compensation had been accepted by Mr D and Mrs B.

I issued a second provisional decision on 13 September 2024, in which I set out my revised conclusions and reasons, having considered the new information received. Below is an excerpt.

'I have reviewed the information Barclays provided following my provisional decision. Included in the documentation is an email chain between Mr D and O, following its response to the complaint Mr D and Mrs B made to Barclays, which included the

following:

'Further to the ongoing correspondence and with reference to the level of service provided by [O] I am looking to bring this matter to a conclusion.'

I wish to accept your offer. I would also like to ask if you would consider making this up to £100 with an extra £20 as a final offer of goodwill.'

While the compensation payment was made by O, Barclays' representative, I am satisfied that it relates to the complaint Mr D and Mrs B made to Barclays and later referred to this Service. It is disappointing that Mr D and Mrs B didn't make us aware that they had accepted an offer to settle the complaint at the time they did so, or when we recently asked them for copy correspondence between them and O. In light of their request for a specific amount and the acceptance of that sum in settlement of their complaint, I can only conclude that they considered that sum sufficient to compensate them for the upset and inconvenience they had suffered.

As Mr D and Mrs B have already accepted a sum of compensation in full and final settlement in order to bring the matter to a conclusion, I am satisfied that it would not be appropriate for us to consider the complaint further.'

Barclays accepted my provisional decision. It confirmed it had nothing further to add to its previous submissions.

Mr D and Mrs B didn't accept my provisional decision. They said that the complaint they made to us was about how Barclays had dealt with their mortgage application, including the legal support. Mr D and Mrs B said the sum they accepted from O went towards compensating them, but it was not sufficient to fully do so. They said Mr D's email, detailed above, did not relate to Barclays, but rather O and at no point had they accepted an offer from Barclays. Mr and Mrs D said they refuted that they had agreed for the complaint to be closed or accepted any compensation from Barclays. They said they would be willing to accept a further £300 to 'close' the matter.

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.

Having considered what Mr D and Mrs B have said in response to my provisional decision, I would agree that Barclays did not make the offer that was accepted.

However, Mr D and Mrs B made only one complaint; that complaint was made to Barclays and was about the service they had received after Barclays handed their application over to O. The offer that was made was in response to that complaint, albeit made by O. Following negotiation, Mr D and Mrs B accepted the offer to *'bring the matter to a conclusion'*. While Mr D and Mrs B have now said that they were accepting the offer as a contribution toward the compensation they believed they were due, that is not what the language used indicates. They accepted in order to bring the matter to a conclusion; the only matter that had been raised was the complaint that had been made to Barclays, and which Mr D and Mrs B later referred to this Service.

I remain satisfied that Mr D and Mrs B negotiated and accepted an offer in full and final settlement of the complaint about the service they received in relation to their re-mortgage. As such, it would be inappropriate for us to consider the complaint further or award additional compensation.

My final decision

My final decision is that I do not uphold this complaint as Mr D and Mrs B have already accepted, and been paid, compensation in full and final settlement of the complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr D and Mrs B to accept or reject my decision before 28 October 2024.

Derry Baxter
Ombudsman