

The complaint

Mr S complains about the way Barclays Bank UK PLC treated his request to port, or transfer, the interest rate product he had on a joint mortgage to a new property in his sole name. He says it misled him and caused delay and he has lost out as a result.

What happened

Mr S and his now ex-wife had a joint mortgage with Barclays. It was on a fixed interest rate until 30 April 2026. If the mortgage was repaid during the fixed rate period an early repayment charge (ERC) of 5% of the amount repaid was payable. The fixed rate on the mortgage could be ported to a new mortgage on another property, subject to Barclays' criteria.

In 2024 Mr S and his ex-wife were going through a difficult divorce, as part of which the mortgaged property needed to be sold. Mr S contacted Barclays to see if he could port part of the joint mortgage to a new property in his sole name. In July 2024 he wanted to go ahead with an application as the sale of the jointly owned property was close to completion. He asked Barclays if he could borrow £350,000 on the existing fixed interest rate and receive a refund of the ERC.

Barclays initially said it wouldn't lend because of the level of Mr S's unsecured debt. Mr S then discussed his situation and his plans further with it, including his intention to repay his unsecured borrowing using the proceeds of the sale of the jointly owned property.

On 31 July 2024 the jointly owned property was sold and the mortgage repaid, including an ERC of around £35,000. Between July and November 2024 Mr S and Barclays had multiple conversations and exchanges of emails about porting the mortgage. Barclays' policy was that the new mortgage needed to complete within 90 days of redemption of the old mortgage if the rate were to be transferred and all or part of the ERC refunded. Ultimately Mr S wasn't able to meet that deadline and Barclays wouldn't extend it.

Mr S made a complaint about how Barclays had treated him. He considered it had misled him, been obstructive and caused avoidable delay. As a result he said he had missed out on a refund of the ERC and been caused significant inconvenience and upset at what was already a stressful time.

Barclays said it hadn't misled Mr S and it hadn't done anything wrong with his application. It accepted it hadn't responded to his complaint as quickly as it should have done and paid him £250 by way of compensation for that.

Mr S referred his complaint to us. Our Investigator didn't think Barclays had caused delays or treated Mr S unfairly, so he didn't recommend that the complaint should be upheld.

Mr S didn't accept that conclusion and asked for an Ombudsman's review, so his complaint has been referred to me to decide.

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.

First of all, I've noted that Mr S has asked me to explain what policies and frameworks I've used to reach my decision and to clarify how I've excluded personal opinion. In deciding this complaint I've had regard to relevant law, rules and guidance, and good practice, as I'm required to do. But it's ultimately for me to decide complaints by reference to what I consider to be fair and reasonable in all the circumstances of the case – as provided for at section 228 of the Financial Services and Markets Act 2000.¹

I'm satisfied that I have enough information and evidence to decide this complaint fairly. Our Investigator has shared the call recordings we have received from Barclays with Mr S. Mr S has told us he had numerous further calls with Barclays which I should also consider. He hasn't however pointed to a particular call or date of a call of relevance. I have listened to the call recordings we do have and considered them carefully alongside email correspondence and both parties' other submissions, and having done so I don't require anything further from either party to make my decision.

While Mr S had an existing mortgage with Barclays and he was a 'Premier' customer, that didn't mean Barclays should automatically have agreed to the new mortgage he wanted. It was required under the rules of mortgage regulation² to consider his best interests. In doing that I think it was reasonable in wanting to satisfy itself that he could afford the proposed new mortgage.

The joint mortgage offer issued in February 2019 was clear that porting the mortgage wasn't guaranteed. It said, at sections 8 and 9:

"You have the possibility to transfer the outstanding balance of this loan (excluding any Mortgage Current Account Reserve balance) to another property, subject to the new property and your circumstances meeting our lending criteria at that time."

In considering Mr S's porting request Barclays did have to treat him fairly³ and support him in pursuing his financial objectives⁴. I've looked carefully at how it assessed his situation and how it communicated with him. Having done so, I've concluded that I can't fairly uphold this complaint.

Mr S's situation wasn't straightforward. He was self-employed with an annual income of around £50,000 and unsecured debts at a similar level. He was keen to move quickly in order to get a refund of part of the ERC following repayment of the joint mortgage, and he wanted to port the interest rate product he had held on a joint basis with his ex-wife.

First of all, Barclays wanted written confirmation from Mr S's ex-wife that she agreed to Mr S porting the old mortgage product before it would proceed with an application. I think that was a reasonable requirement, to ensure that Mr S and his ex-wife agreed on which one of them would seek to keep the fixed interest rate. It took around a month after the old mortgage had been redeemed for Mr S to be able to arrange that with his ex-wife and provide a letter to

¹ <https://www.legislation.gov.uk/ukpga/2000/8/part/XVI>

² See the Mortgage Conduct of Business rules in the Financial Conduct Authority's (FCA) Handbook at MCOB 2.5A and MCOB 11.

³ See [The Principles](#) in the FCA Handbook.

⁴ See [PRIN 2A](#) The Consumer Duty in the FCA Handbook.

Barclays, and it then wasn't until around 23 September that Mr S had an offer on a new property accepted.

I think it very unlikely that there would then have been time for the purchase to complete by the end of October – which was the deadline for Mr S to be eligible for a refund of part of the ERC – even if Barclays had agreed to lend. Conveyancing would need to have been done, the property valued, and the sellers of the property would need to have been prepared to move very quickly.

I also think Barclays was clear from the start that lending Mr S the £350,000 he wanted was more than it would usually lend in his circumstances. Initially it said it couldn't lend to him at all because of the level of his unsecured debt. It then said it would consider lending subject to underwriter approval. It seems that Mr S understood this was the position at the time – in an email on 8 August 2024 he said his application had “been refused twice in principle but Barclays are trying to get their senior underwriter to manual [sic] look at my application”.

On 3 September 2024 Barclays emailed Mr S saying “we have started our mortgage application and it is a provisional accept based on a purchase price of £555,000 and a loan amount of £350,000. In order to finish our mortgage application we will now need details of your new property.” This wasn't however a guarantee that Barclays would lend Mr S £350,000, and I don't think it could reasonably have been interpreted as such – particularly given the earlier discussions and correspondence between Mr S and Barclays about Barclays' concerns about whether Mr S could afford a mortgage at this level.

After Mr S provided property details in late September, Barclays said it could only lend him around half as much as he wanted following reviews by two senior underwriters. In October Barclays said it would consider a new application if Mr S could increase his deposit and on the basis that he would repay his unsecured debt, but that didn't proceed.

Having looked carefully at everything that has happened, including listening to the recordings provided of Mr S's calls with Barclays, I haven't found that Barclays agreed to lend him £350,000. No mortgage offer was issued and I'm satisfied that Barclays was clear that the amounts it discussed with Mr S were indicative and not guaranteed, and that its decision would be subject to a full application and assessment. I don't think it misled Mr S, and I think it was entitled to apply its usual policy at the time of allowing 90 days to port all or part of a mortgage. It was also reasonable to consider Mr S's circumstances before deciding whether to lend him as much as he wanted – lending him more than he could afford wouldn't have been in his best interests. I also haven't found that Barclays caused any unreasonable delay.

I'm not satisfied that Barclays' handling of Mr S's enquiries and application caused him a financial loss or material inconvenience or upset. It was clear that Mr S was going through a very stressful time and was keen to move on and buy a new property for himself, and I think the Barclays staff he dealt with were doing their best to try to support him – by not declining his application straight away and referring to senior underwriters with an explanation of his situation. Ultimately however Barclays concluded that the mortgage Mr S wanted was unaffordable, it was entitled to apply its 90-day porting policy, and it was clear with Mr S about the 90 days from the start. In any event, I think it was always going to be very difficult for Mr S to have completed on a new property purchase within 90 days of redeeming the previous mortgage.

In all the circumstances, for these reasons I find it wouldn't be fair and reasonable for me to require Barclays to refund any of the ERC paid on redemption of the previous mortgage, or to pay Mr S compensation for non-financial loss.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 February 2026.

Janet Millington
Ombudsman