

The complaint

Mr and Mrs B complain that Barclays Bank UK PLC didn't treat them fairly when the term of their mortgage expired with an unpaid balance. They ask for more time to repay the mortgage.

What happened

Mr and Mrs B took out a mortgage with Barclays in 2007. Part was on a capital repayment basis and part was on an interest only basis. Mr and Mrs B also had a mortgage current account which allowed them to borrow money secured on the property – in effect a secured overdraft.

The term of the interest only part of Mr and Mrs B's mortgage expired in 2012, with an unpaid balance. Mr and Mrs B also have an outstanding overdraft on the mortgage current account. They owe Barclays about £150,000.

Mr and Mrs B brought previous complaints to us about the sale of the mortgage (in 2019) and that Barclays didn't offer a term extension in 2022 (in January 2023). Our investigator said we can't look into these matters again. Our investigator said we can look into what's happened since then and the complaint proceeded on this basis.

Mr and Mrs B want Barclays to allow them more time to repay the mortgage, at a reasonable interest rate or zero interest. They say they'll be in a position to re-mortgage over the next 10 years.

Barclays said Mr and Mrs B had ample opportunity to repay the mortgage. No solution was found other than to sell the property – which Mr and Mrs B didn't want to do. A court issued a full possession order to Barclays in June 2025.

Our investigator said the term of Mr and Mrs B's mortgage expired in 2012. They made no payments after late 2023 and they don't have a credible plan to repay the mortgage within a reasonable period. Our investigator said it wasn't unfair for Barclays to start legal action and apply interest to the debt.

Mr and Mrs B didn't agree. Mrs B said the loss of a close family member 12 years ago continues to affect them, and they've suffered further bereavements. Mr B said they'd spent a lot of time setting up an enterprise which they expect to take off soon. Mr B said allowing them to remortgage in the next 10 years would be the best option. Mrs B said they're marketing the property for sale and recently instructed a second estate agent. She asks that Barclays stops legal action and allows them time to sell the property.

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.

Barclays started action for possession in April 2024.

In mid-2024 Mr B asked Barclays to freeze interest. Barclays said he could provide information for it to consider this.

Mr B asked for an extension in late 2024. This was on the basis they had a five-year business plan for an enterprise they'd set up. Barclays notes say it didn't receive the information it needed, such as when Mr B would start to receive a salary. The expenditure information it received was incomplete. Mr B didn't explain how the mortgage debt would be repaid. Barclays notes say it asked for more information but this wasn't provided.

Rules on mortgage regulation require Barclays to carry out strict affordability checks before agreeing to offer or vary a mortgage. For an interest only mortgage this includes assessing how the capital will be repaid. Barclays needed information and evidence from Mr and Mrs C to do this.

While Mr and Mrs B say they completed income and expenditure and provided the information Barclays needed the available evidence doesn't support this. I can't fairly find that it was unfair for Barclays to ask for this information, or that it was unfair for it to decline to offer an extension in 2024 or agree to hold recovery action indefinitely.

Mr B told Barclays in May 2025 he'd taken independent financial advice and had exhausted all options. He said they were going to downsize. Barclays said it might agree further holds on legal action if the property is on the market.

A court issued a full possession order in early June 2025, with Mr and Mrs B to give possession before the end of July 2025.

Mr and Mrs B put the property on the market for sale in late June 2025.

Having considered the circumstances here, I don't think it was unfair for Barclays to take action for possession. The mortgage debt had been outstanding for many years. Mr and Mrs B previously raised complaints about not the sale of the mortgage and not being offered a term extension which were not upheld. They stopped making payments in late 2023 which meant the debt was increasing. Mr B told Barclays they have no means to repay the mortgage other than through the sale of the property. Mr and Mrs B didn't start to market the property for sale until after the court issued a possession order.

Our decisions are published. To protect the anonymity of complainants we don't include details that might allow them to be identified. Consistent with this, I will summarise Mr and Mrs B's circumstances briefly and not with the level of detail they provided. That doesn't mean I haven't carefully considered what they've told us.

Mr and Mrs B told us about the distressing circumstances in which they lost a close family member over 10 years ago, and more recent bereavements. In addition to this, Mr and Mrs B's businesses failed as a result of the banking crisis and the Covid-19 pandemic. Their time over recent years has been dedicated to setting up an enterprise to help others. I appreciate how difficult this has been, and how important this work is to Mr and Mrs B.

I must be fair to both parties. It's reasonable for Barclays to expect Mr and Mrs B to repay their mortgage and secured overdraft – as they agreed to do when they borrowed the money. This money has been owed for a significant amount of time, there's no credible plan to repay it within a reasonable period and the amount of the debt has increased.

Mr and Mrs B expect the enterprise they started to take off and provide them with an income. However, they can't at the moment provide credible evidence this will enable them to repay the debt within a reasonable time.

Mr and Mrs B say the property is being marketed for sale and they've had interest from potential purchasers. I'd encourage Mr and Mrs B to keep in contact with Barclays about the sale of the property.

While I appreciate the difficulties Mr and Mrs B have had to deal with, I can't fairly require Barclays to hold recovery action indefinitely. It follows that I don't think it's fair and reasonable to require Barclays to offer an extension or hold possession action.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 25 September 2025.

Ruth Stevenson
Ombudsman