

The complaint

Mr and Mrs B complain that when they ported their mortgage Barclays Bank UK PLC assured them they'd be mortgage free in 2025. In fact, part of the balance is outstanding.

Mr and Mrs B ask that Barclays waives the unpaid balance, refunds the lump sum repayment they made, compensates them for the dividend they expected to receive on an investment and pays compensation for their upset and inconvenience.

What happened

Mr and Mrs B had a mortgage with Barclays on a part repayment (about £42,000) and part interest only (about £43,000) basis. They'd taken out an ISA that was intended to repay the interest only part when the term expired in 2025.

Mr and Mrs B contacted Barclays in late 2017 about porting the mortgage. They also wanted to take out additional borrowing of about £15,000.

Barclays said all of the mortgage would have to be on a repayment basis. Mr and Mrs B didn't want to increase their monthly payments. In order to keep the monthly payments the same, Barclays said the term would have to be extended. Mr B told us he was reluctant to extend the term. He says he was assured by Barclays mortgage adviser that they'd be mortgage free by 2025. He says the mortgage adviser said she'd calculated that their ISA, which was due to mature in 2025 with a balance of about £43,000, would cover the remaining mortgage balance.

Mr and Mrs B were concerned that they weren't on track to repay the mortgage by 2025 and made a lump sum payment of about £10,500 in early 2023. The ISA matured in 2025 and they used the funds (£43,000) to make a lump sum payment into the mortgage account. However, a balance of about £7,500 remained unpaid.

Mr and Mrs B say they didn't get a substantive response from Barclays about their complaint, before being told it was closed. Mr B says Barclays was aware of his mental health problems, which it treated with indifference and without empathy. He says it didn't keep recordings of the advice in 2017.

Mr and Mrs B previously brought a complaint to us about the advice they received in late 2017. We said the advice was reasonable given Mr and Mrs B's aims. But if, after the ISA paid out the expected £43,000 in 2025 there was a shortfall balance, this is something this service could revisit. There was a shortfall balance and Mr and Mrs B contacted us.

Our investigator said there was no evidence Barclays guaranteed the mortgage balance would be £43,000 (or less) in 2025. He said Mr and Mrs B were required to repay the mortgage balance, and this was always the case regardless of what they were told in 2017 the balance might be in 2025.

Mr and Mrs B didn't agree. In summary, Mr B said they were mis-sold a mortgage product and misadvised in 2017. He said Barclays failed to retain or disclose key evidence, contrary

to FCA expectations. And a material financial loss has now been proven.

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 and Mrs B's previous complaint was about the mortgage advice they were given in 2017. What I'm considering here is Mr and Mrs B's complaint that they had an outstanding mortgage balance in 2025, instead of being mortgage free. And that this was because they were misled by Barclays in 2017.

Barclays can't find a call recording of Mr and Mrs B's discussions with the mortgage adviser in 2017. Barclays said the mortgage adviser was branch based and if she used a mobile phone the call would not have been recorded. An email arranging the appointment provided by Mr B suggests at least one of the meetings might have been in person.

I appreciate Mr and Mrs B's frustration about this. If Barclays had a recording we'd expect it to be provided. But not all calls are recorded. I can't fairly draw an adverse inference about Barclays' being unable to provide a call recording when it's not clear one exists.

Where the evidence is incomplete or inconsistent, I reach my decision based on the balance of probabilities – that is, what I think is more likely in the circumstances. I think there's sufficient evidence available for me to reach a fair decision about this complaint.

Mr B says they didn't want to extend the term in 2017. But their mortgage was moving onto a full capital repayment basis and they wanted to take out additional borrowing. Keeping the same term would have meant higher monthly payments – something Mr and Mrs B didn't want either. So that Mr and Mrs B could take out the borrowing they wanted while their payments stayed about the same, Barclays recommended a 16-year term.

Mr and Mrs B borrowed £100,000 over a 16-year term. Barclays calculates the contractual monthly payments so that the loan will be repaid by the end of the term, in 2034. Each monthly payment is made up of interest and capital. Barclays recalculates the contractual monthly payments from time to time, for instance when the interest rate changes, so that the mortgage remains on track to be repaid at the end of the term. Barclays provided its records of payments into the mortgage account and the reducing balance. I haven't seen anything to suggest the mortgage isn't being administered correctly.

Mr and Mrs B wanted to be mortgage free by 2025. They say they were told by Barclays mortgage adviser that the ISA would cover the balance in 2025. To put it another way, they say they were led to believe that the mortgage balance would be £43,000 or less by 2025.

I think it's likely that the mortgage adviser did do calculations – or used a mortgage amortization calculator – to work out what the balance might be in 2025. I think it's unlikely Mr and Mrs B would have mis-remembered this. I think there was a discussion about using the ISA to repay £43,000 of the balance in 2025, as this is referred to in the mortgage application summary report.

It's unfortunate that there isn't more written evidence, or call recordings, from 2017. But I do have a copy of the mortgage offer, the mortgage illustration and the mortgage application summary report. I also have a copy of the mortgage application, which includes a copy of the mortgage adviser's recommendation letter.

The mortgage application summary report and the recommendation both say that Mr and

Mrs B would receive a lump sum of £43,000 in 2025. They go on to say “*You plan to use your endowment payout to pay a lump sum off your mortgage as you would like to repay it as quickly as possible*”. They don’t say this payment would clear the balance in 2025.

Barclays’ recommendation says:

TERM - I recommend a term of 16 years as this will mean your mortgage is repaid in full by your planned retirement age. You do not wish to have a shorter or split term as you would like to keep your payments as low as possible to have increased disposable income for your day to day activities.

Any calculations carried out by the adviser would have been based on assumptions, such as about future interest rates. There might have been a scenario where the calculations suggested the mortgage balance would be less than £43,000 in 2025. But the mortgage adviser didn’t know how interest rates would change in the future and she couldn’t give any guarantees as to what the balance would be some years in advance.

It’s possible there was a misunderstanding during Mr and Mrs B’s discussions with the mortgage adviser. It’s possible the mortgage adviser made an error with the calculations or that she wasn’t sufficiently clear with Mr and Mrs B that she could only give them an estimate. But even if I thought Barclays had misled Mr and Mrs B in 2017 about what the balance would be in 2025 (and I don’t think there’s sufficient evidence that was case), the outcome of this complaint wouldn’t change.

That’s because I don’t think Mr and Mrs B would have acted differently if they’d known there might be a balance outstanding in 2025. And I don’t think they suffered a financial loss as a result of taking out the mortgage while expecting the balance to be repaid in 2025.

Mr and Mrs B wanted to move home. Barclays said the whole mortgage had to be on a capital repayment basis. This would significantly increase Mr and Mrs B’s monthly payments. It wasn’t possible for Mr and Mrs B to increase their borrowing, move the whole mortgage balance onto a capital repayment basis, and have both their contractual monthly payments and the mortgage term remain the same. Agreeing to a mortgage over a 16-year term meant Mr and Mrs B could borrow the amount they needed for their purchase without a significant increase in their monthly payments. And they could still use the ISA funds to reduce the balance and, ultimately, repay the mortgage sooner than 2034.

If Mr and Mrs B had repaid the Barclays mortgage and gone elsewhere they’d have paid an early repayment charge (about £2,500). The same maths would apply in terms of having to accept a longer term if they wanted to keep their monthly payments about the same.

So I think Mr and Mrs B would have gone ahead with the mortgage, regardless of what they were told the mortgage balance might be in 2025.

Mr B says a material financial loss has now been proven. I can’t fairly agree. Mr and Mrs B borrowed £100,000 and they do have to repay it. That’s not a financial loss, it’s simply what they agreed when they took out the mortgage. I can’t fairly say that Barclays should agree to waive repayment of the remaining balance or refund any previous payments on the basis that Mr and Mrs B hoped to have repaid their mortgage in 2025.

Mr B contacted Barclays on 2 June 2025. It recorded a complaint that day. Within a few days Barclays sent a redemption statement and made an internal request for a reconciliation statement, to check the balance had reduced in line with Mr and Mrs B’s payments and to send to Mr and Mrs B. It sent a final response on 4 July 2025. Mr B called on 7 July 2025 as he hadn’t received the final response, and Barclays read the content to him.

I appreciate this was stressful for Mr B, especially given the health conditions he's told us about. He's been concerned for some time that the ISA funds wouldn't clear the remaining mortgage balance. Mr B didn't agree with Barclays' final response, that this was the same complaint it had previously responded to in 2021. But I must be fair to both parties. Barclays was prompt to check there wasn't a problem in how the mortgage had been administered, and ensure Mr and Mrs B had up to date information about the balance. It provided a final response well within the regulator's guidelines.

Taking all the above into account, I don't think it's fair and reasonable to require Barclays to take further steps regarding this complaint.

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 Mr B and Mrs B to accept or reject my decision before 27 February 2026.

Ruth Stevenson
Ombudsman