

The complaint

Mr and Mrs A complain that Barclays Bank UK PLC unreasonably declined their application for a further advance on their mortgage.

They also complain about Barclays' handling of their complaint and its handling of their subject access request (SAR).

What happened

Mr and Mrs A took a mortgage with Barclays in 2012 for approximately £345,000, on a capital repayment basis, over a term of 21 years. On 23 April 2025, they contacted Barclays to request a further advance. Mr and Mrs A's application was declined because Mrs A's credit file showed two county court judgements (CCJs).

Mr and Mrs A say Barclays applied prejudicial underwriting criteria and failed to consider their circumstances. They say they'd been honest from the outset about Mrs A's CCJs and had explained how they came about and their impact on Mrs A's mental health. Mr and Mrs A also say Barclays have refused to provide them with a copy of their lending/underwriting criteria and they say that's unfair.

Mr and Mrs A say Barclays asked them to complete a form for the SAR and on 29 May 2025 asked them for a date of birth. Mr and Mrs A say Barclays should have had enough information to identify them.

Mr and Mrs A complained to Barclays on 11 May 2025. In its final response letter dated 30 May 2025, Barclays said its decision to decline Mr and Mrs A's application was in line with its lending policy. Barclays said it was unable to supply a copy of its underwriting criteria as that was for internal use only. Barclays confirmed the SAR had been made and asked Mr and Mrs A to allow six weeks for their request to be actioned.

After Barclays declined their application Mr and Mrs A applied to a third-party lender for a secured loan. They say Barclays has caused further delays to them obtaining the loan they require because it said it could not read a form – a deed of postponement – sent to it by the third-party lender. And those delays have cost them with regard to the interest they were paying on the debts they wanted to consolidate.

Dissatisfied with Barclays' response Mr and Mrs A asked us to consider their complaint. Our investigator didn't uphold their complaint. He said Mr and Mrs A's initial decision in principle was declined but Barclays agreed to escalate to a senior underwriter for review. And, following escalation, Barclays confirmed it would not lend because of Mrs A's CCJs. Our investigator thought that was reasonable because that was in-line with its lending policy. And he thought it was reasonable that Barclays didn't share its lending criteria because that information was commercially sensitive.

Our investigator explained that we don't consider complaints about complaint handling, but we can consider complaints about the handling of a SAR. However, he thought neither of

those issues had an impact on Mr and Mrs A, as neither changed the decision to decline their further borrowing application.

Our investigator also noted that Mr and Mrs A had mentioned their concerns about Barclays' handling of a deed of postponement for a third-party lender and about Barclays' not informing them about a drawdown facility on their mortgage. He's explained that both issues were not raised as part of Mr and Mrs A's complaint to Barclays so has arranged with Barclays for it to address those directly with Mr and Mrs A as a new complaint. That means they will not be considered further as part of this complaint.

Mr and Mrs A didn't accept our investigator's opinion. In summary, they said Barclays didn't make enough effort to understand their complaint and could have addressed their issues better had it done so. They said the SAR could have provided them with information that could have made a difference to the success of their application. And they said it was unfair for Barclays to have put them through the stress of giving further information if the underwriter would never have agreed to the further advance.

Our investigator responded to Mr and Mrs A's points but as they disagreed with his opinion, their complaint has been passed to me for a decision.

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.

To decide Mr and Mrs A's complaint I've thought about whether Barclays acted fairly and reasonably in relation to their request for a further advance. I've also thought about whether Barclays' handling of Mr and Mrs A's request for a SAR and their complaint was likely to have impacted the outcome of their further borrowing application.

Barclays' handling of Mr and Mrs A's further advance application

Barclays has provided a screenshot showing that an initial decision in principle request was declined. It explained that the codes used on the decision mean the request was declined due to adverse credit which is outside of its lending policy. However, I've seen that, in subsequent correspondence, the Barclays mortgage advisor suggested that Mr and Mrs A explain the reasons for the adverse credit information – the CCJs – so that he could put that to senior underwriters. That was on 23 April 2025. Mr and Mrs A did so and on 28 April 2025, Barclays' mortgage advisor wrote to them again saying the underwriter had reviewed their information and said the application was outside of lending policy because of the two CCJs (at that time, unsatisfied).

I think, while the initial decision in principle request was declined, it was reasonable for the mortgage advisor to suggest Mr and Mrs A explain the circumstances of the CCJs for consideration by an underwriter. It's clear, from information Barclays has shared with us, that level of adverse credit is outside of its lending policy – and I don't think that's unusual for a mainstream mortgage lender like Barclays. However, lenders do sometimes lend outside of their standard lending policy. So, I don't think it was unreasonable for the mortgage advisor to suggest that Mr and Mrs A explain more about their circumstances to see if an underwriter would override Barclays' standard lending policy. I don't think he could have known whether the application would succeed – he was not an underwriter. And I haven't seen that he suggested it was likely to succeed – so didn't unfairly raise Mr and Mrs A's hopes.

A lender's lending policy is influenced by a number of factors. Important among those is the need to ensure that payments are affordable and sustainable – for the protection of the

borrower. Another factor is the lender's appetite for risk. That, to a large extent, means what type of credit profile it accepts in the prospective borrowers it is prepared to lend to. A lender's appetite for risk is for it to decide – it isn't dictated by regulation in the same way as its requirement to lend responsibly. So, I'll not make a finding on the reasonableness of its lending policy. But, given that I've seen that its lending policy doesn't allow CCJs, and its underwriter considered the case none the less, I think Barclays applied its lending policy fairly and considered Mr and Mrs A's application reasonably.

It isn't unusual, in my experience, that lenders don't make the details of their lending policies public – they tend not to share that information with customers. That's because their lending policies are commercially sensitive and that means we wouldn't generally ask a lender to share its lending policy with a consumer as part of a resolution to a complaint. In this case, I think Barclays did tell Mr and Mrs A the reason it declined their application, and I think that was reasonable.

Barclays' handling of Mr and Mrs SAR

Individuals have rights over their personal information under data protection law. One of those rights is to make a subject access request (SAR) – meaning a request for information held by a business about the individual.

I would expect a business to handle a SAR without creating unnecessary barriers, so it should be relatively straightforward for a consumer to make a SAR. But it is expected that the business verifies the identity of the individual making the request. And it may require some information to be able to trace all the information it holds about the individual. So, I think a small amount of 'administration' by the individual making the request is inevitable and reasonable. And, where I see that the amount of 'administration' is more than I would expect, it isn't my role to fine or punish a business. Instead, it's for me to consider the impact that may have had on the individual and/or (as is pertinent to Mr and Mrs A's complaint) the impact on the service the individual was trying to access.

It is expected that SAR's are satisfied within one calendar month (with some exceptions). Again, if I found that a business hadn't satisfied a SAR without undue delay, it wouldn't be for me to fine or punish the business – I'd consider the impact of the delay.

In this case, Mr and Mrs A have told us Barclays asked them to confirm Mrs A's date of birth and to complete a form. From the evidence I've seen, Mrs A refused to complete the form on 27 May 2025 and, on 28 May 2025, Barclays confirmed it would proceed with her SAR. Even if I thought it was unreasonable for Barclays to ask for information to help locate all Mr and Mrs A's data – and I don't – I haven't seen significant impact on Mr and Mrs A.

Mr and Mrs A haven't complained that Barclays took an unreasonable time to satisfy their SAR. So, I don't think Barclays' handling of their request had an impact to the extent that it would warrant an award for material loss or distress and inconvenience. To be clear, I don't think anything Barclays could provide in response to a SAR would have enabled Mr and Mrs A to make a strong enough argument that Barclays would have accepted their application for a further advance – for the reasons I've outlined in the previous section of this decision.

Barclays' handling of Mr and Mrs A's complaint

Complaint handling is not an activity we usually have the power to consider. That's because a complaint about complaint handling is not a complaint about a 'financial service.' Where the complaint handling impacts the provision of a financial service – in this case the consideration of a further advance application – we may be able to consider its merits.

However, I don't think Barclays' handling of Mr and Mrs A's service complaint had any bearing on the outcome of their further advance application or Barclays' handling of that application. Predominantly, that's because I don't think Barclays made an error by not accepting Mr and Mrs A's application for further borrowing and I don't think it handled their application unreasonably. But I also think, similarly to Barclays' handling of the SAR, any information given in response to Mr and Mrs A's complaint, wouldn't have provided them with a strong enough application that would have resulted in Barclays agreeing to their further advance application.

Given the above, Mr and Mrs A's complaint about Barclays handling of their complaint is one we don't have the power to consider.

Summary

Overall, I don't think Barclays handled either Mr and Mrs A's application for further borrowing or their SAR unreasonably. And, because Barclays' lending policy does not allow mortgage lending to consumers with CCJs, I don't think it declined their application unfairly. Their complaint about Barclays' complaint handling is not one I have the power to consider.

As a final point, I have noted Mrs A's comments about the impact on her mental health. It's something I have considered when assessing this complaint and I understand that the disappointment of having an application declined and the implications of that can have an impact on mental health. However, as I don't think Barclays has handled the matters complained about unreasonably and I don't think its decision not to lend was unfair, I don't conclude that Barclays was responsible for any impact on Mrs A's mental health. And I haven't seen here that Mrs A's mental health concern was a sufficient reason for Barclays to override its lending policy.

My final decision

My final decision is I don't uphold Mr and Mrs A's complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs A to accept or reject my decision before 10 February 2026.

Gavin Cook
Ombudsman