

## The complaint

Mr A complains Barclays Bank UK PLC has not provided the support it promised in a phone call in November 2024 and that it contacted him a number of times when he was in the Breathing Space scheme.

## What happened

In 2014, Mr A took out his mortgage with Barclays for £975,000, plus fees, over a term of 18 years on an interest-only basis.

Mr A has brought a number of complaints to our service regarding his Barclays' mortgage. My colleagues have sent final decisions addressing those complaints – including, in February 2025, a decision on whether Barclays had given Mr A adequate support in view of his personal circumstances and vulnerabilities.

This complaint is about the following:

1. Barclays had promised to appoint a dedicated person who was aware of Mr A's vulnerabilities to deal with him. But Mr A believes that when Barclays called him on 22 November 2024, it was not made by an appropriate person and he was unable to answer the security questions it asked.
2. Barclays contacted Mr A when a mental health crisis moratorium was in place under The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 – this has been referred to as a Mental Health Crisis Breathing Space (MHCBS).

The investigator thought the complaint should be upheld. He said that although the phone call in complaint 1 was made by the appropriate team in Barclays, the call was not handled fairly. The investigator also found that there was some inappropriate contact from Barclays when Mr A was in the MHCBS. The investigator thought that Barclays should pay Mr A £600 for the considerable distress, upset and worry caused.

Barclays accepted what the investigator said. Mr A did not. He said that £600 was disproportionate to the gravity of the issues at stake – it trivialised the statutory breaches and material harm. He said that he'd suffered harm, including:

- Over £250,000 in arrears due to Barclays' conduct during a live complaint.
- Unlawful breaches of MHCBS regulation 17.
- Deterioration of his disabilities that were triggered by the correspondence from Barclays.
- Damage to his credit rating, which affected his financial position and meant he was unable to obtain medical treatment.

- Breaches of the Equality Act 2010, the consumer duty and Human Rights Act 1988 obligations.

### **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.

#### Interest

When I looked at things I thought that Mr A's complaint included whether Barclays had applied interest fairly when he was in the MHCBS. I explained that the MHCBS regulations said that on secured loans lenders should not apply interest to any arrears balance. Barclays accepted that and made an offer to refund interest it applied to the arrears while Mr A was in the MHCBS. It said that totalled £2,732.83.

When I put that to Mr A he had some concerns:

- Whether all interest applied to arrears during the moratorium has been correctly identified and refunded (including any capitalisation effects).
- Whether subsequent interest has been calculated on a balance inflated by prohibited interest, thereby compounding the error.
- Whether Barclays' calculations properly distinguish interest on the principal (permitted) from interest on arrears (prohibited during MHCBS).

I consider those are valid concerns. And the information provided by Barclays does not allow me to answer those questions. But my decision is that Barclays should make sure that Mr A is returned to the position he would have been in had it not applied any interest to his mortgage arrears from 2 May to 21 June 2025.

Therefore, Barclays should check its calculation to make sure that it has taken into account all of Mr A's comments above and that it does put him back in the correct position. It should also provide a suitably detailed breakdown of how it made the calculation, answer all of Mr A's concerns and provide evidence to support what it says.

#### Communication

There are two issues here: 1) Barclays did not deal with a phone call to Mr A on 24 November 2024 fairly; 2) Barclays contacted Mr A when he was in the MHCBS.

In respect of point 1, I agree that Barclays handed the November 2024 phone call poorly. It ended the call because it said Mr A did not state his address correctly. But that is because Mr A was not living at the mortgaged property at the time in question. He tried to explain that, but Barclays did not listen and ended the call.

Barclays ought to have shown a great deal more understanding in the way it dealt with Mr A, bearing in mind what it knew about the importance of the phone call to him, and his circumstances and vulnerability. In the circumstances, Barclays should have exercised more flexibility when checking Mr A's identity. So I do not consider it treated him fairly.

It was Barclays' "specialist support team" that made the phone call. I understand that is the team that Barclays uses that is specially trained to assist customers who are experiencing

vulnerable circumstances. So I can't say that Barclays had not chosen an appropriate person to make the call – even though they did not go on to deal with Mr A fairly.

In respect of point 2, when Mr A was in the MHCBS, Barclays was prevented from taking any enforcement action or instructing agents to do so. That includes contacting a debtor to collect a debt.

Mr A was in the MHCBS from 2 May to 21 June 2025. I am satisfied that Barclays was acting on the information it received from the Debt Respite Scheme about when Mr A was in the MHCBS. But Barclays attempted to contact Mr A on 5 June 2025. It left a message for Mr A and then instructed a field agent to visit Mr A. It should not have done so.

Barclays identified that it should not have made the call or instructed the agent. It cancelled the field agent, but the letter had already been sent. Barclays then sent a text message that said the letter had been sent in error and that he should disregard it. Barclays sent a further text message on 11 June 2025, that said it had sent a final response to a complaint he'd made.

It isn't in dispute that Barclays did not act fairly when it left a message for Mr A on 5 June 2025 or in sending the field agent letter. But the MHCBS did not prevent it contacting Mr A about other matters not related to the enforcement of the debt. I consider it was reasonable for it to send the text messages. The first message clarified the field agent letter had been sent in error and that Mr A could ignore it – that was a positive step intended to alleviate any worry caused to Mr A. And the second message merely said a final response was on its way.

There appears to have been some avoidable confusion about the type of Breathing Space scheme Mr A was in. I agree with the investigator that Barclays ought to have clarified that bearing in mind Mr A's concern that it had not recorded things correctly.

I've found that Barclays has not treated Mr A fairly. That has caused him considerable distress, upset and worry with a serious short-term impact. In all the circumstances, I consider £600 is a fair amount to compensate Mr A for that. I note that my award is not intended to compensate Mr A for all of the distress he's experienced in relation to this mortgage – only the matters I have dealt with in this decision.

Mr A said that his complaint includes that Barclays has discriminated against him and has refused to make reasonable adjustments and has made false statements to us. But we have been clear throughout that we are only dealing with the complaint as set out above under this reference.

I note that a colleague made a final decision on a complaint from Mr A that included that Barclays had not adequately supported him given his personal circumstances and vulnerabilities. We would be unlikely to consider that again unless there was material new evidence which the ombudsman considers likely to affect the outcome has subsequently become available to him.

## **My final decision**

My final decision is that Barclays Bank UK Plc should:

- Put Mr A in the position he would have been in had it not applied any interest to the arrears balance of his mortgage from 2 May 2025 to 21 June 2025. – taking into account all of the above points.
- Provide a suitably detailed breakdown of the calculations it carried out and address all of the specific points set out by Mr A above – with evidence to support what it says.
- Pay Mr A £600.

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

Ken Rose  
**Ombudsman**