

The complaint

Mr and Mrs M complain about the calculation of the monthly repayment amount for their mortgage with Barclays Bank UK PLC.

What happened

Mr and Mrs M have a residential mortgage with Barclays. They completed a rate switch earlier in the year and received an offer that said the monthly repayment amount based on the balance at that time would be roughly £804.

Shortly after, Barclays sent a revised payment notice that confirmed the balance of the mortgage was now slightly less. It said the monthly repayment would now be around £806.

Mr M complained to Barclays. He couldn't understand why the monthly repayment had gone up, when the mortgage balance had gone down. He was concerned he was overpaying due to a miscalculation and thought Barclays should honour the repayment amount given in the mortgage offer.

Barclays offered Mr and Mrs M £150 as an apology for its customer service during the complaint handling process. But it said the monthly repayment amount had been calculated correctly.

Mr M referred his complaint to our Service. Our Investigator thought it was reasonable that the monthly repayment amount was different to the one given in the offer. She thought Barclays had clearly communicated the amount may change. She agreed the £150 offered by Barclays for its customer service was a reasonable way to put things right. Mr M remained unhappy, so the complaint has been passed 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.

I understand why Mr M is concerned that the monthly repayment amount increased from that outlined in the mortgage offer, when the only notable difference is that he made a further contribution to the mortgage and reduced the overall balance. So, I follow Mr M's logic that if there was a change to the monthly repayment amount following the offer, it would be to reduce the monthly repayment amount, not increase it.

The point here though is that the monthly repayment figures given in the mortgage offer were for illustrative purposes only – meaning they were simply estimates and not based on exact figures. For example, this figure didn't take into account the current overpayment balance, or any further payments that may be made. It was also calculated in the month prior, meaning daily interest would be calculated at a different rate.

The calculation carried out when the new interest rate started used the exact figures for the mortgage and not estimates. I appreciate Mr M would like our Service to carry out a detailed

review of how the monthly repayment amount was calculated, but that's not the purpose of our Service and we don't audit financial calculations.

Moreover, Barclays has given a reasonable explanation for the slight difference. I am satisfied from the evidence I've seen that the mortgage balance, overpayment amount and interest rate were correct in the revised payment schedule. These are standardised calculations, and I have no reason to think that the monthly repayment amount has been calculated incorrectly.

The issue here is that the monthly repayment amount given in the mortgage offer was lower than the payment amount actually turned out to be. So, I've considered whether Barclays made it clear enough to Mr and Mrs M this could happen, and if it didn't, whether it should honour the lower payment amount detailed in the mortgage offer.

The accompanying letter with the mortgage offer said *'Where your requested changes result in a change to your monthly mortgage repayment, you will receive a Revised Payment Notice separately detailing your new contracted monthly payments'*.

I'm satisfied that it was clear from this that the contractual monthly payments would be confirmed in the revised payment notice to follow. The 'Amount of each instalment' section in the mortgage offer also confirmed that the actual payments may vary as they are based on the date the new interest rate is applied.

I consider Barclays made it clear that the actual monthly repayment amount would be given in the revised payment schedule, which it was. Barclays has a duty to provide information that is clear, fair and not misleading – and I'm satisfied that it has done so here. So, I don't agree that Barclays should honour the amount given in the mortgage offer, as I don't think it told Mr and Mrs M this was the exact amount they would pay.

I realise this will be disappointing to Mr M as he would like an exact explanation of why the amounts differ. But as I've explained, it is simply that the first amount was an estimate and the exact amount, which was around £2 more each month, followed as advised shortly after.

As I don't agree Barclays has made an error here, I won't be directing it to do anything differently. I agree with the Investigator that the £150 already paid by Barclays for failing to contact Mr M as agreed represents a fair way to put things right.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 16 January 2026.

A handwritten signature in dark ink, appearing to read 'E. Taskas', with a long horizontal flourish extending to the right.

Emma Taskas
Ombudsman