

The complaint

Mr and Mrs J complain that Barclays UK PLC (Barclays) misled them into thinking that they could utilise the Mortgage Charter interest-only support after they had completed a rate switch. However, when they went to apply for this, they were ineligible as they had already had a term extension under the Mortgage Charter.

What happened

Mr and Mrs J's fixed rate mortgage product with Barclays was due to expire. They say that they were planning to downsize their property due to affordability concerns, so needed a mortgage which would allow porting and overpayment without fees and access to the Mortgage Charter to enable them to reduce their short-term outgoings with six months of interest-only payments.

In May 2025, Mr and Mrs J contacted Barclays to get a new product. They say that Barclays misled them during a phone call into thinking that they could use the Mortgage Charter once they had applied for a new rate online and that they would be able to overpay the mortgage without any penalties. They say that they confirmed their understanding in writing and this was not corrected by Barclays, and that it was on this basis they accepted the new product.

The application for the product switch was agreed on 23 May 2025 to start on 1 July 2025. When Mr and Mrs J tried to apply for Mortgage Charter support on 1 July 2025, they were told that they were ineligible due to an earlier term extension on a previous product. They asked Barclays to call them to discuss this as they were still in their cooling off period and they could cancel without penalties. However, Barclays did not call and the cooling-off period expired so they lost their opportunity to cancel without a penalty.

Mr and Mrs J are unhappy that they now face increased monthly costs, cannot use the Mortgage Charter and may incur fees if they wish to switch product. They would like Barclays to honour their original understanding or be allowed to cancel the product without fees. Mr and Mrs J would also like to be compensated for the emotional and financial stress caused.

Barclays says that its mortgage adviser was clear that the Mortgage Charter was a non-advised product; he was not obliged to check Mr and Mrs J's eligibility for this and correctly informed Mr J over the phone that he would need to look into this himself. Barclays says that Mr and Mrs J were correctly advised that they could cancel the rate switch without any early repayment charge (ERC) during the cooling off period. However, they did not want to go onto the standard variable rate (SVR). It says that Mr and Mrs J were not guaranteed a call back in response to their complaint before the cooling off period ended. As there had been no error, Barclays would not allow Mr and Mrs J to move their mortgage without any ERC.

Our Investigator looked into Mr and Mrs J's complaint, and did not think Barclays needed to take any action. He was satisfied that during the calls with Barclays, Mr J had not made the adviser aware that he had previously utilised Mortgage Charter support. The adviser also made it clear that he was unable to provide advice and that Mr J would need to look into this himself and contact the relevant department. The Investigator was satisfied that the adviser didn't give misleading or incorrect advice. He was also satisfied that Mr J was not informed when he raised his complaint that he would get a callback within the cooling off period and it was up to him to cancel the product before this expired.

Mr and Mrs J disagree with this, so the case has come to me to make a decision. They say that they made a decision to take the mortgage based on a clear and documented understanding regarding access to the Mortgage Charter and porting flexibility, which was confirmed in writing. They say that this was not corrected by Barclays, which materially affected their financial planning, and that they would not have proceeded if it had been. They say that the Investigator's view does not fully reflect the impact of the adviser's omissions, their good-faith reliance or Barclays' inaction during the critical cooling-off window.

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.

Having looked at the evidence, I agree with the Investigator's view for broadly the same reasons and I've explained my reasons further below.

I have listened to the call between Barclays' mortgage adviser and Mr J on 12 May 2025. Mr J asked the adviser whether he would be able to take up the six-month interest-only support under the Mortgage Charter if he went onto the SVR when his fixed rate ended. The adviser told Mr J that he couldn't give any advice on the Mortgage Charter as this was a non-advised process. He said that changing the rate shouldn't impact the Mortgage Charter as far as he was aware but reiterated that he did not really get involved in the Mortgage Charter side of things as this was non-advised.

The adviser told Mr J that it would give him the option to complete this online and Mr J said that it was not giving him any options online and that it said he was not eligible for Mortgage Charter support. The adviser went to give him the details for the servicing team and said that they would be able to guide him through that. Mr J says *"It sounds like I need to ring them up then up then tomorrow to understand why it's not an option"*.

It is clear from the call that Mr J believed that the reason he was unable to apply for the Mortgage Charter support online was because he was coming to the end of his fixed rate deal. I can see that the adviser was trying help Mr J by looking up the Mortgage Charter. He said that there was nothing to say that he couldn't do this in last few months and says *"so it just says... payments have got to be up to date, you haven't previously extended your term or switched to interest only under the Mortgage Charter, your mortgage account is not due to mature in the next six months, right ok so I think that's possibly why..."*. Mr J says *"Yeah I think that's it, I think cos it's coming to an end, but I guess what that means then if it's moved onto a new tariff be that a fixed one or whatever one then I can do it at that point"*. The adviser says *"possibly, maybe, we can hopefully get that sorted"*.

In the following call on 14 May 2025, the mortgage adviser says to Mr J *"initially you were wanting to do the change to interest-only but... you're going to look into the Mortgage Charter instead, is that right?"*, to which Mr J says *"yes"*.

Having listened to the calls, I am satisfied that the adviser was just giving general information and not providing advice in relation to whether Mr J was eligible for the Mortgage Charter. When giving this information, he specifically mentioned that one of the eligibility requirements was that the customer hadn't previously extended the term under the Mortgage Charter and Mr J did not mention that he had already utilised this support. I wouldn't have expected the adviser to have been aware of this when dealing with a rate switch and I'm satisfied that he told Mr J that he would need to check this himself with the relevant team, which Mr J said he was going to do. I can't see that Mr J did this, despite being aware that the online system was telling him he was ineligible for Mortgage Charter support. Overall, I am satisfied that the adviser did not give misleading or incorrect advice.

I can see that following the call, there was email correspondence between Mr J and the mortgage adviser. There was a query about the valuation of the property, following which

Mr J asked if he should proceed online. The adviser responded on 21 May 2025 stating, *"You are able to select a new rate online if you feel you do not need advice or we can book a new appointment for you and I can go through advice and recommendation"*. Mr J responded on 22 May 2025 stating, *"Based on our previous conversation where you confirmed that once we move to a new fixed rate we will be able to: A) Utilise the mortgage charter arrangement to go interest free for 6 months and B) Port the mortgage and over pay by 25% with out incurring costs should we sell and move. I'm happy to continue online"*. The adviser thanked Mr J for confirming.

In respect of Mr J's assertion in the email that the adviser had previously 'confirmed' that he could utilise the Mortgage Charter, I disagree that this was what happened during the calls for the reasons set out above. Further, the content of the subsequent email would not have led the adviser to be aware that Mr J had utilised the Mortgage Charter before, and he had already told Mr J that he was unable to provide advice in relation to this aspect and that he would need to check this himself. The fact that the adviser did not correct what Mr J said did not alter the content of the calls and I am satisfied that the adviser's acknowledgment did not confirm what Mr J said to be correct; it simply related to acknowledging that Mr J was happy to continue the process online without requiring advice or a recommendation. So, again, I am satisfied that Barclays hasn't given misleading or incorrect advice at this stage.

Mr J tried to utilise the Mortgage Charter support on 1 July 2025, on the same day that he had moved to the new rate. At this stage he was made aware that he was unable to do this. This was because, in January 2025, Mr and Mrs J successfully applied to extend their mortgage term as part of the Mortgage Charter support. As this support can only be used once, this meant that they would not be eligible for any further support under the Charter.

When Mr J made his complaint on 1 July 2025, the adviser told Mr J that he was still within the 11-day cooling-off period, so if he wanted to cancel his current rate he could do that but this would mean that he would go onto the SVR. He was told that he could go away and think about his options. Mr J was not happy with the resolution offered and said that he wanted to progress his complaint. He did not ask for the rate to be cancelled during this call and he was not told that he would get a call back within a specific time frame or within the cooling-off period.

I can see that Mr J called Barclays on 10 July 2025 as he was concerned that the product switch was nearing the end of the cooling-off period and asked for a call to discuss whether he needed to cancel that rate while the complaint was being looked into.

It is Barclays' policy that customers can cancel or amend a rate switch up to 11 days after the start of their new rate. After this they will be unable to change the rate and any ERCs attached to the new rate will apply. So I'm satisfied that Barclays gave Mr J the correct information in this regard.

Whilst Mr J requested an urgent call back, Barclays was not obliged to provide this within the 11-day cooling-off period and I can't see that it told Mr J that it would do so. Barclays had eight weeks to look into Mr J's complaint and provide a response. I am satisfied that Mr J was aware of the cooling-off period, and it was a matter for him to ensure that he cancelled the rate switch within this period if he didn't want to incur ERCs for cancelling after this had expired.

I know my decision will come as a disappointment to Mr and Mrs J, but I can't say that Barclays has acted unreasonably in the circumstances of this case, and I don't uphold this complaint.

My final decision

For the reasons I've explained above, I don't uphold this complaint and don't require Barclays UK PLC to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J and Mr J to accept or reject my decision before 8 May 2026.

Rachel Ellis
Ombudsman