

The complaint

Mrs J and Mr R complain that Barclays Bank UK PLC delayed providing redemption statements for some of their buy-to-let mortgages and has calculated their mortgages incorrectly.

What happened

Mrs J and Mr R have a number of buy-to-let mortgages with Barclays. They've experienced a significant number of problems with those mortgages. This complaint is about four of those buy-to-let mortgages.

Mrs J and Mr R complain that Barclays delayed providing redemption statements for four of their mortgages. When they obtained redemption statements for four of their mortgages the balances were incorrect.

Mrs J and Mr R also complain that Barclays has calculated the mortgage balances incorrectly. For example, Barclays had not applied payments they'd made correctly and it had previously admitted it had incorrectly charged arrears interest – but it is not clear if it put that right as promised.

The investigator said there were delays in providing the redemption statements. But she thought Barclays' offer to backdate redemption of the mortgages and to pay 8% interest on any overpayments made, in addition to the £1,625 already paid for any distress and inconvenience was fair.

The investigator did not consider the complaint about the mortgage balances should be upheld.

Barclays agreed with the proposed outcome. Mrs J and Mr R did not accept what the investigator said. They responded to make a number of points, including:

- Barclays hadn't refunded all the extra payments they'd made.
- They did refund for one account but paid it into an account Mrs J had not used for around five years.
- They did not know where the £1,625 had been paid and it did not reflect the fact they were unable to sell four properties.
- The investigator had not answered their questions.
- When they repaid three of the mortgages Barclays let him pay off the full amounts.
- They have repaid several houses but only received two refunds.
- They had to pay the monthly payments because of the delays.

- Barclays sent mortgage statements rather than redemption statements.
- When Barclays did send a redemption statement it only includes redemption amounts for the day it was sent – for it to be of any use it needs to set out what the redemption figures will be in the future.
- The redemption statements stated there was an “overdue balance”.
- They’d proved Barclays had lied so we should not accept what it says without checking with Mr R first,
- Barclays had not confirmed what had happened – it had only said what it believed had happened. And that is likely to be wrong because the system it uses to administer their mortgages is flawed.
- They did not receive redemption statements for the other three accounts after Barclays dealt with the complaint about the first redemption statement in October 2024.
- Barclays had told him that it was not investigating the other three houses as we were investigating it. So we should not believe it when it said they had been investigated.
- They paid two payments in 2017 so they were always ahead with their payments. The 6 October 2024 letter proves that Barclays was always applying the payments in arrears – that may have led to them being overcharged interest for years. That is supported by further correspondence from Barclays.

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 acknowledge that Mrs J and Mr R are very unhappy with the way Barclays has treated them. I know they have spent a great deal of time dealing with this matter. I think it would be useful for me to explain our role.

We are independent and impartial. We do not represent Barclays or Mrs J or Mr R. If Mrs J and Mr R are dissatisfied about the provision of a financial service and they believe that has caused them a financial loss or distress and inconvenience, then they can complain to Barclays. Under our rules we can’t consider a complaint unless a firm has been given the opportunity to address it first. That is why we can’t just add new points to this complaint.

When Mr R and Mrs J receive a final response or if eight weeks have elapsed since they made their complaint, they can then refer the complaint to us if they want. Or they can continue the dispute themselves or take legal action.

When the complaint is referred to us, we review everything both sides have said and provided and decide what is fair and reasonable in the individual circumstances of the individual complaint. That is our role. It is not to answer every question that either party asks. We require both sides to provide evidence to support their case – and we can take into account the failure of one side to provide all of the information we ask for. I accept that Barclays has significantly more resources than Mrs J and Mr R. But we have robustly challenged it to provide evidence to support its position and we have upheld the complaint in part.

Just because we have not agreed with everything Mrs J and Mr R have said does not mean

that we have accepted what Barclays has said without challenging it. Both sides have been given a fair opportunity to provide evidence. The investigator then issued their view upholding the complaint in part. As Mrs J and Mr R did not accept what the investigator said, their complaint was passed to me for a further independent review.

I have looked very carefully at what both Barclays and Mrs J and Mr R have said and provided. Having done so I largely agree with the conclusions reached by the investigator. I will give my reasons why. I note that we have upheld part of the complaint – albeit not to the extent Mrs J and Mr R want.

And this is not a case where we are dealing with an inexperienced consumers. Mrs J and Mr R have a significant buy-to-let portfolio that they run as a business. There is a reasonable expectation that they would keep records of outgoings and receipts they'd received as part of their business – and that includes dealing with these complaints. I think there is some onus on Mrs J and Mr R to keep track of what was happening and to tell us or Barclays if they'd not received a payment soon after they'd been told those payments had been made – especially as some of the payments go back a number of years. Nevertheless, I am satisfied the evidence I have supports that Barclays has made the payments it said it had.

Delays

This complaint is about the redemption statements issued on four of Mrs J and Mr R's mortgages – the accounts numbers end 526, 529, 153 and 520.

It isn't in dispute that Barclays did not send the redemption statements to Mrs J and Mr R as it should have. And the information it sent wasn't enough for Mrs J and Mr R to redeem the mortgages. So I agree that Barclays did not treat them fairly.

Barclays has offered to backdate the redemption amounts to 30 April 2023 for accounts 526 and 529, to 31 May 2023 for 153 and 20 April 2024 for 520. It has also agreed to refund all payments that Mrs J and Mr R have made to those mortgages since those dates and to pay interest at 8% simple per year from the date the payments were made to date of refund – that includes if they have already repaid the full balance of the mortgage. But I would not expect Barclays to refund the payments until the mortgages have been redeemed.

I consider that is a fair way to resolve this part of the complaint. There was no requirement for Barclays to pay any part of the above refund until Mrs J and Mr R accept the offer in full and final settlement of all parts of their complaint.

I am satisfied that Barclays has paid a total of £1,625 in compensation to Mrs J and Mr R for any distress and inconvenience they experienced in respect of the issues with the redemption statements. I do not see how I could fairly require it to pay them anything more.

Redemption calculations

I've looked at the information provided by both Barclays and Mrs J and Mr R about how the redemption statements were calculated.

Barclays accepts that there were issues with the closing statements and how the information was presented. But it has given us evidence to show that the figures it has provided are correct.

I understand why Mrs J and Mr R are confused and reluctant to accept what Barclays has said. But they have not put forward a persuasive or clear evidence to show the mortgages have not been calculated correctly. It is open to them to have the accounts audited by a

suitably qualified person. As things stand, I consider it less likely, on balance, that the redemption statements have been calculated incorrectly.

My final decision

My final decision is that Barclays Bank UK PLC should:

- Backdate redemption of the mortgages to the following dates:
 - 526 and 529 – 30 April 2023.
 - 153 – 31 May 2023.
 - 520 – 20 April 2024.
- When the mortgages are redeemed – or if they have already been redeemed – Barclays should refund all payments made by Mrs J and Mr R to each of the mortgages from the above dates. It should pay interest at 8% simple per year from the date each payment was made until date of settlement. If Barclays considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs J and Mr R how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J and Mr R to accept or reject my decision before 18 February 2026.

Ken Rose
Ombudsman