

The complaint

Mr and Mrs N complain that Barclays Bank UK PLC misled them about the amount required to redeem their mortgage.

What happened

Mr and Mrs N took an offset mortgage with Barclays for approximately £400,000 in 2007. The mortgage was set up on an interest only basis over a term of 18 years. Under the 'offset' arrangement, any balance in the linked mortgage current account (MCA) would be deducted from the mortgage balance for the daily calculation interest, applied to the mortgage account monthly.

Mr and Mrs N say they wanted to redeem their mortgage and expected the amount owed to be that shown on their mortgage statement of 30 September 2025 (dated 7 October 2025). But instead, they were charged an amount greater by £2,312.34 to do so. Unhappy about that, Mr and Mrs N complained to Barclays.

In its final response letter dated 20 November 2025 Barclays said it hadn't done anything wrong. It explained that the mortgage statement for 30 September 2025 factored in the credit balance of the MCA. It said the statement provided a "snapshot" of Mr and Mrs N's mortgage balance at that time. However, it also explained that other linked savings accounts are not factored into the mortgage balance, though they are for the purposes of interest calculation.

Dissatisfied, Mr and Mrs N asked us to consider their complaint. Our investigator didn't uphold their complaint. He said he thought the balance shown in the 30 September 2025 statement included the MCA balance and wasn't the amount Mr and Mrs N needed to pay to redeem their mortgage if they were not using their MCA balance.

Mr and Mrs N didn't accept our investigator's opinion, so 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 N's complaint, I've thought about whether Barclays misled them about their mortgage balance or caused them any financial detriment. Our investigator has explained to Mr and Mrs N that we are not accountants. That means I'll not audit the mortgage account to check that the amount quoted in Mr and Mrs N's subsequent redemptions statement was accurate.

Central to Mr and Mrs N's complaint is their mortgage statement for 30 September 2025. So, I've considered the copy provided to us carefully. That was an annual mortgage statement, and it confirmed that it showed the "activity on your mortgage account from 1 October 2024 to 30 September 2025."

The statement shows a “*current balance*” of £371,234.67. And later, in a section headed “*Paying off your mortgage*” it says the “*total cost of repayment in full*” is £368,948.82. So, if they read this statement in isolation, it is understandable that Mr and Mrs N may have thought they could pay £368,948.82 to redeem their mortgage. But the statement also says – in the “*paying off your mortgage*” section – “*The information gives you an idea of how much it’d cost you to pay off your mortgage in full,*” before explaining that they could request a redemption statement and how to do that. So, I think it’s clear that statement should not be read in isolation to establish an accurate redemption figure.

Barclays has explained that the amount used in the figure shown in the annual mortgage statement is the mortgage balance net of any amount in the MCA. I’ve seen from Mr and Mrs N’s MCA statements of the time that their balance fluctuated because they used it as an ordinary current account – in line with its purpose. But because of that, as Barclays has said, the figure quoted on 30 September 2025 could only have been a snapshot of the balance remaining on their mortgage.

I think it’s reasonable that the figure quoted on the annual mortgage statement was net of the MCA balance. I say that because the MCA was not a stand-alone account and it’s a reasonable assumption that it would close with the mortgage at redemption, so any positive balance would be deducted from the mortgage account balance. I appreciate that wasn’t clear to Mr and Mrs N. But I think Barclays made it clear that they needed to obtain a redemption statement to establish a more accurate redemption figure. Given the nature of the mortgage, in particular the daily calculation of interest and varying offset balances, even the redemption statement wouldn’t be 100% accurate unless the mortgage was redeemed on the same day as the redemption statement calculation.

I understand that Mr and Mrs N experienced a loss of expectation due to their understanding of the payment required to redeem their mortgage. But, as Barclays told them the actual redemption balance would need to be established by obtaining a redemption statement, I don’t think Barclays caused that loss. Mr and Mrs N haven’t suffered any other loss because the amount they paid was always going to be based on the amount actually owed on the date of redemption – not an amount taken from an earlier statement.

My final decision

For the reasons I’ve explained, my final decision is I don’t uphold Mr and Mrs N’s complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr N and Mrs N to accept or reject my decision before 22 May 2026.

Gavin Cook
Ombudsman