

complaint

Mr P complains that Barclays Bank Plc has mislaid the title deeds to his property. He thinks it should pay for the legal costs in arranging for re-registration of his property at the Land Registry.

background

In 1984 Mr P (and Mrs P) took out a mortgage from Barclays which was secured over his property. He says that in about 1998 he redeemed the mortgage with funds provided by a family member. He also says that Barclays recommended to him that it should retain the title deeds for safekeeping. He believes that this is what happened.

In April 2001 Barclays sent the title deeds (with the vacated legal charge and two life policy documents) to Mr P at the property address. It says its practice was to send such documents by recorded delivery. Mr P says that he never received the documents.

He raised this complaint in 2016 as he wanted to sell the property and then found out that he did not have the title deeds and neither did Barclays. Barclays told him that it had returned the deeds in 2001.

Mr P's solicitors have provided a quotation of £775 for the cost of reconstituting the deeds and registering the property at the Land Registry. Those costs include disbursements, indemnity insurance and VAT. He thinks Barclays should pay those costs, particularly as he is a longstanding customer.

Our adjudicator was satisfied that Barclays sent the title deeds to Mr P and did not think that the complaint should be upheld.

In my provisional decision of 15 December 2016 I was satisfied on the balance of probabilities that Barclays sent the title deeds to Mr P in April 2001. Barclays has produced a screenshot showing that the documents were returned on 11 April 2001. This document shows that there was activity on the mortgage account in 2000. Also, that Mr P continued to insure the house and note Barclays' interest on the insurance policy that started in 1999.

Barclays also sent Mr P two life policies at the same time as returning the deeds. Along with this it also provided a signed discharge form so that its legal charge could be released at the Land Registry. This information indicates that the mortgage wasn't paid off as early as Mr P remembers. It seemed more likely that it was paid off shortly before the deeds and other documentation were sent to Mr P.

I noted that Mr P has said that when he paid off his mortgage, he was told that Barclays could hold on to the deeds for him and advised that this was a good idea. Barclays, along with many lenders, did offer this type of service. However, it was normal that in order to do so, the mortgage account had to remain open with a non-interest bearing balance left on it. This balance was usually a token amount. Given that Mr P's mortgage account was closed, I thought it unlikely that such an arrangement was entered into, even if the possibility was discussed. So in light of this, I did not think that Barclays had any reason to retain the deeds once the mortgage was paid off.

I understood why this matter would have been distressing for Mr P, but I did not think that Barclays had mislaid his title deeds. So in my provisional decision I did not uphold his

complaint, nor did I consider that Barclays was responsible for the costs associated with the work needed to register the title.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint, including Mr P's response to my provisional decision. He says that there a number of errors in our decision.

Mr P says that it was Barclays who offered to look after his deeds and in fact advised him to let it do so. The Barclays employee did not mention any requirement to have a non-interest bearing balance on the mortgage. If Mr P had been told of this requirement, he would have agreed to do so. He is adamant that Barclays was to keep his deeds and as such, he didn't expect to receive them back. He should not be required to pay over £700 to reconstitute his deeds. He accepts that Barclays may have sent the deeds to him, but he never received them.

I continue to have some sympathy with Mr P over his predicament over the deeds and the legal costs he will have to incur in order to rectify the situation. However, I remain satisfied that on the balance of probabilities Barclays did return the deeds to him in 2001 soon after he redeemed the mortgage in full. For these reasons I do not uphold his complaint.

my final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 24 February 2017.

Charles Sweet
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