

Mr A complains that Barclays Bank Plc treated him poorly when it was taking his property into possession.

background

Mr A had a mortgage with Barclays and he'd got into financial difficulties. In August 2013 Barclays was granted a possession order by the courts. Mr A moved out of the property on 1 October 2013 as he says he was told he had to when the possession order was granted in court. He says he was told this by the judge and Barclays' legal representative.

Over the next few months Mr A's estate agent was marketing the property, and Barclays took no further action to take the property into possession.

Eventually in August 2014 the possession order was enforced and the property was sold in September 2014.

Our adjudicator didn't uphold Mr A's complaint, and explained she felt the offer from Barclays to refund Mr A's council tax payments from October 2013 to August 2014 (plus interest) was fair.

Mr A wasn't happy with this and so the matter has been passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It's clear that Mr A has strong feelings about this complaint and I've reviewed his detailed submissions in their entirety. I do hope that he won't see it as a discourtesy that my findings focus on what I consider to be the material aspects of his complaint, and that they're expressed in considerably less detail. This is an informal service and the purpose of my decision is not to address every point raised in detail, but to set out my conclusions and my reasons for reaching them.

Mr A has said that he was told by the judge and Barclays' legal representative at the court hearing that he would have to leave the property by the enforcement date of 1 October 2013. But we have a letter on file from Barclays' solicitors to Mr A dated 8 August 2013 which says, *"You should be aware that you will not be evicted from the property on 01/10/2013. That is simply the date after which our client can apply to the court for a warrant for possession. The court will then allocate a date on which the bailiff will attend the property and evict anyone in occupation. You will be given notice of this date by the court and by us."*

So it seems from this that Mr A was made aware two days after the court hearing that he didn't have to leave the property on 1 October 2013 and, if he was confused by the conflicting information, I would have expected him to contact the letter writer – Barclays' solicitors – to query it. Instead he decided to move out. It seems he did query it in November 2013, and was told there were no plans to take possession of the property, yet he chose not to move back in at that time. I understand the keys were held by his estate agent, rather than returned to Barclays, so there's no reason why he couldn't have regularly visited the property to maintain it – or even to move back in - if he wished.

Barclays offered Mr A £300 as he says he was told in January 2014 that he couldn't move back in. Barclays was unable either to confirm or deny what Mr A was told as it couldn't trace the call, so it offered him the compensation for the potentially misleading information.

Mr A has told us that the property had been on and off the market since 2009 – so for four years before the possession order was granted, and five years before the property was sold. I understand Mr A reduced the purchase price significantly over the years and that the property was on the market for £2.3m at the time he moved out. As Mr A had been marketing the property himself for a number of years before possession was granted, I consider this gave him ample opportunity to find a buyer at the price he thought it was worth.

It appears that the highest offer Mr A received for the property was £1.75m in March 2014, and that was from the buyers that ended up buying the property from Barclays at the same price after the property was taken into possession in August 2014. Mr A has said that the value dropped as the property became dilapidated due to being empty for so long, but there's nothing to show that a higher value could have been achieved even if Mr A was still living in the property as he hadn't sold it over the preceding four years when he had been in residence.

A field agent visited the property in February 2014 (so only a month before the offer was received) and he reported that the property *"looks in good order for it's (sic) age"* and *"does not look abandoned"*. There was also a note that Mr A told the field agent that over 100 people had visited the property but there'd been no buyer. At that point I understand the property was on the market for £2m.

Barclays had a duty to act in good faith and to obtain the best price reasonably available in the market at the time for the property. I'm satisfied that it met this requirement and acted in line with regulatory requirements and industry guidance. I've not seen any evidence to suggest there was a buyer willing or able to offer more than the eventual sale price, nor that a higher price would have been achieved had Mr A still been resident in – or maintaining - the property.

Mr A has said that he wanted Barclays to take possession of the property sooner as the longer it took the more the property would fall into disrepair, and more interest would be due on his mortgage. Once a possession order is granted it is up to the business how soon it enforces the order and there are various reasons why this may be delayed. In this case it seems Barclays was notified about offers on the property so it delayed matters to see if Mr A was able to sell the property himself without it needing to take possession. Mr A has said that he was never told action was suspended and believes the records are inaccurate. I see no reason for Barclays to record information about offers that wasn't true so I consider it most likely that Mr A did let Barclays know about offers he'd received on the property. And it doesn't seem unreasonable for Barclays to suspend action to see if any of those offers came to fruition as both parties were likely to benefit if Mr A was able to sell the property himself.

Further, it is my understanding that one way to have avoided the delay would have been for Mr A to voluntarily surrender the property. Whilst I note Mr A's reasons for not doing this, it's possible that taking this course of action may have sped matters up. Of course, we don't know this for sure – just as we don't know if a higher price could have been achieved had Mr A surrendered his property – but it seems this was an option that was put to Mr A by Barclays if he didn't want to wait for it to follow due process.

Barclays has made an offer to refund all the domestic council tax charges Mr A incurred between 1 October 2013 and the date the property was taken into possession in August 2014. I understand there are also some commercial rates and that Mr A remains liable for those. Having looked at all of the circumstances I consider that offer to be fair and reasonable.

I have considerable sympathy for Mr A as clearly he was in financial difficulties for some time. Barclays has a duty to treat customers facing financial hardship fairly and, in all the circumstances, it would be difficult for me to conclude that it didn't do so in Mr A's case.

my final decision

My final decision is that I don't uphold the main thrust of the complaint, but I find that Barclays Bank Plc should:

- refund the domestic council tax payments as it's already offered to do, and
- pay £300 as set out in its final response letter of 10 September 2014 (if it's not already done so).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 November 2015.

Julia Chapman
ombudsman