

## **The complaint**

Mr and Mrs S complain that Barclays Bank UK PLC has provided conflicting information about their options to change their mortgage to an offset product and they've lost out as a result.

## **What happened**

In 2020, Mr and Mrs S spoke with Barclays about their mortgage to discuss a rate switch. One of the things discussed were offset products and it was explained these products came with a fee.

In September 2021, Mr and Mrs S spoke with Barclays about an overpayment to their mortgage. Barclays discussed an early repayment charge (ERC) with them and they also spoke about offset products where the advisor said no charge would be applicable. Barclays said this was incorrect information and the advisor made a mistake when explaining the options available and costs involved.

Barclays looked into the complaint and after initially not thinking it had done anything wrong, it accepted incorrect information had been provided in September 2021. To apologies for this, it offered Mr and Mrs S £150.

Our investigator looked at this complaint and didn't think Barclays had gone far enough with the compensation offered. She felt it had failed to consider the impact of the time it took to put things right and that the award should be increased to £300. But she didn't think Barclays should now offer an offset product with no fee. If Mr and Mrs S wanted to take out one of these products, it was fair a fee is charged if this is applicable.

Mr and Mrs S accepted the increase in compensation, as did Barclays. But Mr and Mrs S still believed Barclays should offer them an offset product without any fees added. They think this is fair after being told they could do this in the call in September 2021.

Because our investigator didn't believe this was a fair expectation, the complaint has been referred for 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.

I've decided to uphold this complaint for much the same reasons as our investigator. I appreciate this will be disappointing for Mr and Mrs S as it stops short of the outcome they are hoping for, but I'll explain why I think this is fair.

Barclays accepts the telephone call with Mr and Mrs S in September 2021 did result in incorrect information being provided. In contradiction to previous discussions with Barclays, Mr and Mrs S were told there should be no fees to switch to an offset mortgage. Previous calls had explained the offset options Barclays has and that each of these options had fees

associated to the mortgage if Mr and Mrs S wanted to swap their mortgage. The incorrect information at this point led Mr and Mrs S to feel they'd lost out as they wanted an offset mortgage previously but didn't because of the fees they'd need to pay.

I understand the upset this matter will have caused Mr and Mrs S. When Barclays provided incorrect information in September 2021, it understandably led Mr and Mrs S to feeling as though they'd lost out previously. But it was the information provided in September 2021 which was incorrect and not the previous information. And when Mr and Mrs S had previously been given the options to move to an offset mortgage and each was described with associated fees, this was correct. So they had not been misled over their options.

Barclays has accepted the misinformation in September 2021 will have caused distress and our investigator recommended Barclays pay £300 in total for the impact of this distress. This was accepted by both Barclays and Mr and Mrs S. I agree this is a fair amount of compensation to cover the distress and inconvenience caused when Barclays incorrectly led Mr and Mrs S to believe they had been given incorrect information in the past and that they had other options available to them.

Mr and Mrs S also believe Barclays should allow them to move to an offset mortgage now without a fee applied. Our investigator said she couldn't recommend this because if the offset mortgage had fees associated to it, it was right that Mr and Mrs S pay these if they wanted to move to this product.

I agree it wouldn't be fair to rely on incorrect information or ask that Barclays stand by this. Mr and Mrs S had previously been given the correct information about their options and the products Barclays have will need to be operated as set out by the terms and conditions for each. So if Mr and Mrs S wish to change their mortgage and, if fees are associated to any product they choose, Barclays will be fair to charge these in line with the product terms and conditions.

### **Putting things right**

If Barclays has not already done so, it should pay Mr and Mrs S the £300 previously recommended to compensate Mr and Mrs S for the distress and inconvenience experienced as a result of the incorrect information being provided.

### **My final decision**

For the reasons I've explained above, I uphold Mr and Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 6 February 2024.

Thomas Brissenden  
**Ombudsman**