

The complaint

The estate of Mrs D complains about difficulties in selling her house, which it said were caused by Barclays Bank UK PLC.

Mr D brought this complaint to our service, on behalf of the estate.

What happened

Mr D acts for the estate in this complaint. He told us that after the sad death of his mother, Mrs D, the estate planned to sell her house. But he wasn't able to do that. Although Mrs D had paid off her mortgage many years ago, there was still a charge over the property, held by Barclays. Mr D said his solicitor worked hard to have this charge removed, but although the solicitor first asked Barclays to do this on 25 April 2022, it wasn't done by Barclays until 10 November 2022.

Mr D said the delays in selling that Barclays caused meant the estate had to reduce the selling price of the house by £3,000. He said this wouldn't have been necessary if Barclays had acted promptly. He had to pay extra solicitors costs for the extra work chasing Barclays. And he faced ongoing costs of maintaining the property, made up of £50 per fortnight for a gardener, and £150 for insurance.

Mr D said he'd lost out on interest on the sale proceeds, and he'd had to cancel plans for a holiday and a major purchase, because Barclays delayed this sale. Mr D felt Barclays ought to pay substantial compensation for this.

Barclays said it had now found papers sent by the estate's solicitor, which had been received in May. It was sorry it hadn't responded to these at that time. The solicitor then sent a deed of release form, and that had been actioned.

Barclays said the delay was because the mortgage account could no longer be located on any of its systems due to the age of the account. Barclays said it had now released the charge, and sent all the paperwork to the estate's solicitor.

Barclays offered to pay Mr D £1,150 made up of £1,000 in compensation, and £150 for additional costs of insuring the house. It said it wouldn't reimburse the costs Mr D said he'd paid for a gardener, because Mr D couldn't evidence these costs. He'd been paying cash, and didn't appear to have invoices.

Barclays said it understood Mr D felt he'd lost a lot more than this, because he'd had to reduce the selling price of the house, but Barclays said it couldn't be sure this sale would otherwise have gone through, so it didn't think it was liable for this loss.

Mr D has turned down this offer, and Barclays hasn't paid this money. But it has paid £624, which it sent directly to Mr D's solicitor, to cover the additional charges due to its delays.

Our investigator didn't think this complaint should be upheld. He thought that Barclays' offer of £1,150 was fair.

Mr D replied to disagree. Because no agreement was reached, this case was then passed to me for a final decision. And I then reached my provisional decision on this case.

My provisional decision

I issued a provisional decision on this complaint and explained why I did propose to uphold it. This is what I said then:

When this case came to me, I wrote to Mr D to explain our service's approach to cases like this, and to ask for further evidence. I explained that Mrs D was Barclays' customer. And the complaint we are considering is brought on her behalf, by her estate. Mr D had shown us a grant of probate which means he is entitled to bring this complaint, but it remains the complaint of the late Mrs D.

That does have an impact, under our rules, on what we can consider in terms of redress. Unfortunately, we are only allowed to consider making an award for the effect of the case on the complainant. So here, that's the estate of the late Mrs D. And that means I'm not able to take account of the direct impact on Mr D. I can't take account of the large purchase he wasn't able to make, or the holiday he had to cancel. These are things that have affected him personally, and our service can't include the impact of those in the estate's complaint.

I explained we can look at the impact of what happened, on the estate. So if the estate had to pay more in costs, or didn't get as much money for something it sold, because of something Barclays did, then we can consider whether Barclays ought to pay some money to the estate.

It looked to me as if Barclays had accepted it made a mistake here, and should have removed the charge on Mrs D's house considerably earlier than it did. So I needed to think about the impact of that on the estate.

Barclays has already paid some additional solicitor's costs. It wouldn't pay the money Mr D said the estate had missed out on, when the house was sold, because it said it couldn't be completely sure the house would otherwise have sold, earlier and for a higher price.

I explained that for me to consider covering a loss like that in an award, I would need to see that it was more likely than not that the loss wouldn't have occurred if Barclays hadn't made a mistake. And that's a difficult issue to assess, because lots of things can, and do, go wrong with the sale of properties, often quite unexpectedly.

Mr D had told us he had some further information on the sale. He had mentioned a letter from his estate agent, which confirmed the first sale was otherwise going ahead, and the only problem was the charge on the deeds which Barclays hadn't removed. I invited Mr D to send us this letter, and to ask his solicitor to comment on the sale of the property.

Mr D has now sent our service further evidence. This is made up of a letter from the estate agent, explaining that the first sale fell through on 17 August. The buyer of Mrs D's house lost their sale, as their buyer's mortgage offer expired. Mr D then accepted a lower offer, because the buyer of Mrs D's house had to accept a lower offer in turn, to keep their sale.

Mr D also sent us correspondence from his solicitor, which confirmed that she first contacted Barclays to remove the charge in April. It also confirmed that on 25 July the

only outstanding issue prior to sale was the removal of the charge over Mrs D's property. The solicitor listed her efforts to chase up the release of the charge, and confirmed that the charge wasn't removed until mid-November. The sale then finally went through.

Considering the consistent evidence Mr D has supplied, it does seem more likely that if Barclays had removed this charge promptly when asked, or at least contacted Mr D or his solicitors at that time, then the sale of Mrs D's property would have proceeded rather than collapsing on 17 August, and the estate would have gained £3,000 more than it eventually did.

Barclays has offered Mr D £1,000 in compensation, and £150 for insurance costs. Mr D didn't accept this, and it has not been paid. Barclays has also offered £624 for additional solicitors costs, which has been paid.

I've explained that I cannot take account of the impact of what's gone wrong here on Mr D himself, because he's not the complainant. So I cannot ask Barclays to pay him any compensation. But I can take account of the impact on the estate. And it seems likely that if Barclays hadn't made this mistake, then the estate would not have needed to pay £624 in solicitors costs or an extra £150 for home insurance. It also seems likely that the estate would have gained an additional £3,000 on the sale of Mrs D's home. We know Barclays has already paid £624 for solicitors costs, so I now propose to ask Barclays to pay £150 for home insurance, and £3,000 for the lower return on the sale, to Mrs D's estate. It will then be for Mr D to distribute the payment under the terms of the late Mrs D's will.

Following the receipt of this provisional decision, Barclays may wish to withdraw its separate offer of £1,000 in compensation to Mr D directly. I should make clear for Mr D, that nothing in this decision compels Barclays to make the payment of compensation to him that it earlier offered, and under the rules of our service, we cannot compel Barclays to do so.

I invited the parties to make any final points, if they wanted, before issuing my final decision. Both sides replied.

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.

Mr D said that he was happy to accept this provisional decision. Barclays contacted us to ask for evidence to confirm the sale had fallen through because of its delays in releasing the charge, which we forwarded to Barclays. Barclays then wrote again, to ask for evidence of the sale price Mr D had originally agreed on the property. Mr D supplied the original memorandum of sale, showing the higher price he'd initially agreed, and we forwarded this to Barclays too. Barclays then made a further request, to evidence the actual sale price of the property. Mr D kindly provided that too, sending us the Land Registry documentation showing the sale price, and we forwarded this to Barclays. Barclays has made no further comment, after receiving this evidence.

So Mr D has accepted my provisional decision, on behalf of the estate, and Barclays hasn't offered any further argument against this decision. I haven't changed my mind. I'll now make the decision I originally proposed.

My final decision

My final decision is that Barclays Bank UK PLC must pay the estate of Mrs D £3,150.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs D to accept or reject my decision before 3 August 2023.

Esther Absalom-Gough
Ombudsman