

## **The complaint**

Mr S complains that Barclays Bank UK PLC, who I'll call Barclays, led him to believe he was signing up for a top up loan, and he wasn't aware he was agreeing to two loans.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 know it will disappoint Mr S, but I don't think Barclays have done anything wrong here and I'm not asking them to take any further action. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr S was paying a little over £574 per month for a loan he took out in December 2021. That loan was due to end in December 2024.

In or around July 2022 Mr S says Barclays sent him an email. He's provided a copy of that correspondence in which they offered him £10,487 on top of the debt he owed them from his first loan. He says he was happy to sign up for that as the App explained his monthly payments would only rise by about £9, although the term would be extended to 60 months. Mr S says he merely followed the link in that correspondence and that the new loan should therefore have been a "top up".

I've seen a copy of the welcome letter sent to Mr S, at the same address as we have for him, on 5 July 2022 shortly after he registered for the second loan. That explains that he'd be paying £234.36 for the next 60 months to repay the £10,700 loan and its associated interest. The letter explains:

*“If you change your mind*

*When you sign and return this Agreement we’ll send you a letter confirming that the loan has started. From the day after you receive this letter, you have up to 14 days, to let us know if you don’t want the loan.”*

I think it should have been clear to Mr S, when he received the welcome letter, that the loan he had signed up for was a new, additional loan. There was no mention of a “top up” and the monthly repayments were much lower than the £583 Mr S says he expected to pay. I think it’s reasonable to suggest that there was sufficient information in that letter to demonstrate the loan was a new one, and that had Mr S not wished to be tied to the repayments he had 14 days within which to withdraw from the agreement.

I don’t therefore think Barclays have done anything wrong as I’m not persuaded the top up loan offer Mr S has provided a copy of was ever taken up by Mr S, and the details of the loan he did sign up for were adequately explained to him.

### **My final decision**

For the reasons I’ve given above I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 18 September 2023.

Phillip McMahon  
**Ombudsman**