

## The complaint

Mr O complains Barclays Bank UK PLC provided him with several unaffordable loans.

## What happened

Barclays has said Mr O was provided with seven loans between 1995 and 2006. Due to the passage of time it has very limited details still on file, and has only been able to provide the credit agreement for the seventh loan.

Mr O has provided our Service with some information about these loans taken from the records he has.

I've used the information provided by both parties to set out what appears to be the details of these loans in the below table:

Loan	Date of loan	Capital amount	Term (months)	Monthly repayments	Total repayable value
Loan 1	1995	unknown	unknown	unknown	unknown
Loan 2	1995	unknown	unknown	unknown	unknown
Loan 3	1996	unknown	60	£230 (approx.)	£14,000 (approx.)
Loan 4	March 1998	£15,000	60	£350 (approx.)	£21,000 (approx.)
Loan 5	July 1998	£800	24	£40 (approx.)	£970 (approx.)
Loan 6	August 2003	£12,300	84	£295 (approx.)	£24,700 (approx.)
Loan 7	April 2006	£25,000	96	£340 (approx.)	£32,500 (approx.)

*Mr O has said a number of the loans were refinanced by the later loans*

In April 2022 Mr O referred his complaint to Barclays. He said each of these loans had been irresponsibly lent because they were unaffordable for him; and he considers had Barclays completed appropriate checks before each lending event it would have reasonably identified this.

At the same time Mr O's wife submitted a complaint about unaffordable lending about a number of loans provided by Barclays across a similar period of time. That complaint is being dealt with under a separate reference. This decision only considers the loans Barclays lent Mr O.

Barclays said Mr O's complaint wasn't one it would consider; because it had been made outside of the regulatory timescales. Unhappy with Barclays's response Mr O referred his complaint to our Service for review.

An Ombudsman colleague ultimately decided Mr O's complaint was one that our Service has the power to consider. Our Investigator then went on to review the details of Mr O's complaint and didn't uphold it. He said he couldn't safely conclude, based on the limited information available, that Barclays had made unfair lending decisions when providing Mr O with each of these loans.

Mr O disagreed with our Investigator's outcome. He provided bank statements covering the period some of the loans were provided. Our Investigator reviewed the statements, but it didn't change their outcome.

Mr O asked for an Ombudsman's review, so the complaint's been passed to me to decide.

### **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.

Having done so I've reached the same outcome as our Investigator. I appreciate this will be disappointing for Mr O; I've set out why I've reached this outcome below.

We've set out our approach to complaints about irresponsible and unaffordable lending as well as the key rules, regulations and what we consider to be good industry practice on our website; both Mr O and Barclays are aware of this approach.

Given the historical nature of these lending events, it's perhaps unsurprising that the regulatory requirements and codes of practice which exist today, didn't at the time Barclays lent these loans to Mr O. Mr O complains that Barclays should have made better checks into his circumstances before agreeing to lend. But there was no explicit obligation on Barclays in terms of the checks it needed to complete before advancing each loan. However, there were voluntary codes and recognised standards of good industry practice in place for member businesses providing credit products; and I consider these mean Barclays at least needed to review Mr O's ability to repay these loans. But there was no prescriptive direction in how it needed to do this.

Barclays has said it has very limited information available in relation to these loans. It has been able to provide rough dates of the first six loans but not much further information in addition to that; but for the last loan it has provided our Service with the credit agreement.

I don't consider this unreasonable given the amount of time that's passed since these lending decisions took place; some of which were nearly 30 years ago, and the obligations on Barclays in not retaining records beyond their relevance.

But this does mean I've not been provided with any information about the checks Barclays completed before each of these lending decisions. Given that these lending events took place so long ago, I can't safely conclude, based on the limited information available to me, and the obligations on Barclays at the time of each lending event, that its checks weren't reasonable or appropriate.

Mr O has provided us with bank statements covering a Barclays joint account from around the time of the 1998, 2003 and 2006 loans.

I appreciate Mr O feels the evidence within these statements suggests Barclays ought reasonably to have identified these loans were unaffordable for him; but as I've set out above, I can't be satisfied, based on the limited information available to me from the time, that Barclays checks didn't go far enough in assessing Mr O's affordability.

On balance, it is possible that Barclays considered how Mr O and the joint account holder operated the account. But there is insufficient evidence to show that they did (or didn't). So, I can't fairly place weight on these statements to conclude Barclays shouldn't have lent.

Mr O has said a number of these loans were used to consolidate existing debts; so, I consider it would appear, on balance, more likely Barclays was reasonably looking to support Mr O with his financial situation at the time.

I understand by 2009 Barclays exited the relationship and the last loan was defaulted, being passed to a third-party debt collector for repayment. I am sorry to hear Mr O found himself in this situation; and that he is still repaying the outstanding debt. But based on the limited information available to me, I can't be satisfied Barclays's checks weren't reasonable or appropriate against the obligations on it at the time of these lending events; and it therefore follows, in the individual circumstances, I can't be satisfied Barclays made unfair lending decisions when providing Mr O with each of these loans.

### **My final decision**

For the reasons set out above my final decision is that I'm not upholding Mr O's complaint about Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 24 April 2024.

Richard Turner  
**Ombudsman**