

The complaint

Mr T complains that Barclays Bank UK PLC ("Barclays") lent to him, on more than one occasion, without adequate checks being made as to affordability.

What happened

Barclays advanced Mr T the following:

- Loan 1 for £35,000 in April 2017, repayable over 60 months at a cost of £694.14 a month. Sum advanced used to repay existing debt.
- Loan 2 for £48,100 in September 2017, repayable over 60 months at a cost of £966.75 a month. Sum advanced used to repay existing debt (including loan 1 above).
- Loan 3 for £47,200 in January 2018, repayable over 60 months at a cost of £948.66 a month. Sum advanced used to repay existing debt (including loan 2 above).

Mr T's complaint was considered by one of our investigators who concluded that taking everything into account Barclays had done nothing wrong in advancing Mr T the three loans that it did. In other words, she concluded all three loans were affordable.

Mr T didn't agree with the investigator's conclusion so his complaint has been passed to me for review and 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. And having done so, I can confirm that I've come to the same overall conclusion as the investigator and for broadly the same reasons.

It's clear Mr T has very strong feelings about this complaint. He has provided detailed submissions in support of his view which I can confirm I've read and considered in their entirety. However, I trust that Mr T will not take the fact that my findings focus on what I consider to be the central issues, and that they are expressed in considerably less detail, as a discourtesy. The purpose of my decision isn't to address every point raised. The purpose of my decision is to set out my conclusions and reasons for reaching them.

What I need to decide in this case is whether Barclays, in granting the loans that it did, acted fairly and reasonably. In other words, was the lending affordable and responsible.

Now based on what both parties have said and provided I can see that on each occasion Mr T was granted a loan by Barclays he was in employment and taking home between £2,400 and £2,600 a month. And that with the exception of a small period in late 2014 early 2015 he had been able to make all debt payments requested of him by his various creditors.

I can also see that each loan advanced by Barclays was used to repay existing debt Mr T had and that on each occasion the new monthly loan payment was less than what T had been paying on that repaid debt.

So given the above, and given what I understand was Mr T's expenditure during the period in question (both priority and non-priority) and that loan 3 was repaid in August 2019 without a payment being missed, I'm satisfied that the lending subject to this complaint was affordable and responsible.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 May 2020.

Peter Cook
Ombudsman