

## **The complaint**

Mr K complains Barclays Bank UK Plc pressurised him into taking out a credit card when he had a gambling addiction.

## **What happened**

In 2015, Mr M says he went into a Barclays branch to open an account and at the same time, he took out a credit card, with a credit limit of £800.

In 2020, the credit card account was put into default due to missed payments. Mr K complained to Barclays about several issues, including the issuing of the default notice and late payment markers on his account. These complaints haven't been considered by our service as they brought to us too late.

Mr K also complained Barclays had pressured him into taking out the credit card. He also complained he was suffering with his mental health at the time and Barclays should have known that it was irresponsible to lend to him as he had a gambling addiction.

Barclays didn't think it had acted irresponsibly in opening the account in 2015, and it said it wasn't made aware of Mr K's gambling issues until 2020, so it didn't agree it shouldn't have opened the credit card account.

Unhappy with this response, Mr K brought the complaint to our service. Our investigator didn't think Barclays had acted irresponsibly, based on the information it had, in opening the account in 2015.

Mr K didn't accept that. So the matter has come 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.

Mr K has said he was pressured into taking out a credit card account in branch. He hasn't given this service much detail on why he felt he was pressured, he's said he went into the Barclays branch as another bank had frozen his account and he needed somewhere for his wages to be paid. I've considered what Mr K has said, but I'm not persuaded it's most likely he was pressured to take out the credit card. I appreciate the event took place a number of years ago, but Mr K's testimony doesn't persuade me that it's most likely he was left with no other option but to take out the credit card.

Mr K also says the bank should have known it was irresponsible to lend to him as he had a gambling addiction. I've considered the checks carried out by Barclays before opening Mr K's credit card account. There are no set criteria as to what checks should have been done before the lending is agreed. But this service considers the checks should have been proportionate to the amount of lending offered. So the higher the amount, the greater the checks must be, and for a lower amount, then fewer checks can be made. Our service also considers it reasonable for a lender's checks to be less thorough – in terms of how much information it gathers and what it does to verify it – in the early stages of a lending relationship.

Barclays has said the product offered was a credit builder product, with a limit of £800. I can see that it looked at Mr K's credit history at the time of lending, as well as his income and expenditure. There were no defaults or missed payments recorded on Mr K's credit file in 2015, so there was no obvious sign that Mr K wasn't managing his finances properly. And given the credit limit, there's nothing in his income and expenditure that I think would have alerted Barclays that it was irresponsible to lend to him. Whilst Mr K did have other outgoings, his overall income and disposable income don't suggest to me that a credit limit of £800 was irresponsible, or that he would struggle to meet the minimum monthly repayment. So having considered everything, I'm satisfied the checks carried out by Barclays were proportionate.

Mr K says Barclays should have been aware of his gambling addiction, but it appears this is the first account that he had with Barclays. So it wouldn't know how he'd previously managed an account, or any previous spending patterns. And I haven't seen any evidence to support that Mr K told Barclays of his gambling addiction in 2015. I accept he made Barclays aware of this years later, but based on what I've seen, I'm satisfied there isn't anything that should have alerted Barclays to this issue at the point the credit card was taken out. Mr K's said he was suffering with poor mental health at the time he took out the credit card, but there's no evidence Barclays was aware of this.

Overall, I haven't seen anything within Barclays' checks which should have prompted it to ask further questions about Mr K's ability to repay the credit card or show it was unaffordable. So on balance, I don't think Barclays acted irresponsibly opening a credit card account for Mr K in 2015, so I'm not going to ask Barclays to do anything differently.

### **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 K to accept or reject my decision before 13 October 2021.

Michelle Henderson  
**Ombudsman**