

## **The complaint**

Mr W complains Clydesdale Financial Services Limited trading as Barclays Partner Finance (BPF) have unfairly turned down a personal loan application.

## **What happened**

On 17 September 2023 Mr W applied for an interest free loan with BPF to purchase a phone. The application was originally accepted, but there was a problem, and the application didn't continue. Mr W says he was told on the phone by BPF this was a problem with the merchant's website. Mr W was asked to re-apply, did, and was turned down. This happened several times. Mr W felt that the original agreement should be honoured.

BPF said in their response to Mr W's complaint they'd not done anything wrong and didn't uphold the complaint.

Unhappy with this, Mr W asked us to look into things. As part of our standard process, we asked BPF for their file. They said they'd remove the first four searches on Mr W's credit file, but he'd made two more after they'd issued their outcome – and they didn't think they should remove these as they'd already told Mr W their outcome.

One of our Investigators considered things. She didn't think she could legitimately ask BPF to honour the original agreement as Mr W had asked but did think the remaining two credit searches should be removed from his credit file.

BPF accepted this, but Mr W didn't. In summary he said BPF should have accepted the first application. As Mr W didn't accept our Investigators outcome, 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.

The key question in this case is whether BPF have done anything wrong leading to Mr W's application being unfairly turned down. That's because this complaint is about BPF – I'm not able to hold the merchant responsible for any issues that may have occurred during this transaction.

I've listened to all the phone calls BPF have told us they have from Mr W. Across these calls, I've heard Mr W say when he applied for the phone, there was a problem with the website, and after completing the application process, he wasn't re-directed back to the merchant's website. I've also heard Mr W say the problem was the internet just dropped out when he was in the middle of applying.

BPF's notes have the application status recorded as 'Third party cancelled' – which suggests the reason for the cancellation wasn't due to them. The rest of their notes have similar commentary.

So, I've no grounds on which to require BPF to honour the original application. Something went wrong, but there is no evidence that was down to an error by BPF.

Following the issue with the original application, Mr W said in phone calls he tried again immediately. This second application was also turned down, most likely because the first application hadn't been cancelled on BPF's systems at this point.

At this point then, Mr W has had two applications, one ended up being cancelled, and one was turned down because there was an existing application live at the time.

Before making a complaint, Mr W then made a third and fourth attempt both of which were turned down. It's not clear which, but one of these was turned down because the computer auto-filled some of Mr W's personal data in the wrong fields – his name was entered into the address field.

Mr W says he was told to re-apply for the loan, and it'd be accepted. I've not heard that said in the calls I've been provided with. I've heard the agents telling him he can apply again, but there is no guarantee.

Initially, BPF felt they should only remove these first four credit searches – but have since accepted they should remove the remaining two.

I think that's fair, because I have heard BPF's underwriter telling him to wait a week or so before making another application and seeing if that works.

So, I agree BPF should remove all six of the credit searches carried out.

But, Mr W thinks BPF should honour the loan application on the basis if he'd not been misadvised about applying multiple times, then the application would have been accepted.

While I understand his frustration, I don't have enough evidence to support that. Before he even spoke to BPF, he'd had one application which had an error with it, and a second which had been turned down. And one of the third / fourth applications was also turned down because of an error which BPF can't be held responsible for. All of these issues stem from the original application being turned down – and I've already found BPF didn't do anything wrong in that. So, given that, I can't reasonably require them to grant him with a loan which I can't be certain they'd have been prepared to grant when he first contacted them.

### **My final decision**

I partially uphold this complaint and require Clydesdale Financial Services Limited trading as Barclays Partner Finance to remove all credit searches made against Mr W's credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 7 May 2024.

Jon Pearce  
**Ombudsman**