

The complaint

Mr B complains Clydesdale Financial Services Limited trading as Barclays Partner Finance failed tell him about a missed payment, and this impacted his ability to apply for a mortgage at a competitive rate.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the 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.

Having considered everything, I've reached the same conclusions as our Investigator, for these reasons:

- It's not disputed that Mr B missed the final payment towards his loan in 2022, or that Clydesdale failed to contact him about this. This meant Mr B wasn't given the opportunity to bring his account up to date before making a mortgage application in 2023. As such, it's reasonable to conclude Clydesdale's mistake contributed to the situation Mr B is now in. However, I've had to decide to what extent they're responsible for this.
- Clydesdale has sent us a screenshot of their system notes from April 2022, and this suggests the direct debit for Mr B's loan was cancelled by Mr B or his bank. I know Mr B disputes this is the case, but I do have to place weight on information that was generated at the time the direct debit was cancelled. I've also not seen any evidence from Mr B that supports his position that Clydesdale was responsible for the cancellation of the direct debit. In the absence of this information, I can only conclude that it's more likely than not that Clydesdale weren't at fault for the last payment towards his loan not being made.
- I've noted what Mr B has said about Clydesdale and his bank. While I acknowledge they have similar names, they are separate entities. That's why I don't consider it's appropriate to hold Clydesdale responsible for the actions of his bank – as the evidence suggests.
- When the payment was missed, we would have expected Clydesdale to contact Mr B about this. So, the fact they didn't isn't the way they should have managed his account, and it wasn't the level of customer service they're expected to provide. But while I acknowledge this mistake of Clydesdale's, I'm not persuaded the lack of contact is the sole reason Mr B was unable to get a mortgage at a more competitive rate.
- As mentioned above, the evidence I've seen persuades me another party was

responsible for the cancelling of the direct debit. Therefore, that party's actions also contributed to the late payment, and the consequences that stemmed from it. So, I don't consider it would be fair or reasonable to disregard that fact.

- I've also felt it necessary to place weight on Mr B's testimony regarding being supported in his mortgage applications by a financial advisor. It's not unusual for a financial adviser to consider an applicant's financial circumstances before directing them to financial products they consider to be suitable. No one disputes the missed payment has been on Mr B's credit file since 2022. This means it was on his credit file before he made his mortgage application that was subsequently declined. Again, this is something I've had to take into consideration when determining the extent to which Clydesdale's mistake impacted Mr B.
- In light of the above, I can't fairly conclude Clydesdale are the only party to blame for Mr B having to switch to a more expensive mortgage product. I appreciate he's now in a difficult position, and I empathise with his situation. However, we are impartial, and I have to be fair to both parties to a complaint. Having considered everything, I consider Clydesdale did the right thing by updating Mr B's credit file when they were notified of the problem. I'm also satisfied their £200 offer is fair when all circumstances of this complaint are taken into consideration.

I know this isn't quite the outcome Mr B hoped for, but for the reasons above, I'm upholding his complaint.

My final decision

My final decision is that I'm upholding Mr B's complaint about Clydesdale Financial Services Limited trading as Barclays Partner Finance.

To put things right Clydesdale Financial Services Limited trading as Barclays Partner Finance should pay Mr B £200 in recognition of the distress and inconvenience caused by their mistake.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 April 2024.

Sarrah Turay
Ombudsman