

## **The complaint**

Mr P complains about delays and poor service when he applied for a loan with Central Liverpool Credit Union Limited trading as Central Credit Union (CCU).

## **What happened**

Mr P had an existing loan with CCU and around two weeks before the term ended he contacted it via its online chat facility. Mr P was told he could apply for a top up loan in advance of the end of his the existing loan term on 13 June 2024. Mr P's also told us CCU's website advises applications should take 10 working days to review.

Mr P's explained he used CCU's chat facility to try and get updates. On 13 June 2024, CCU called Mr P who says the agent he spoke with was rude and aggressive. Mr P says the agent told him he would have to wait for the outcome of his application. Mr P went on to raise a complaint with CCU.

Mr P's application was approved by CCU on 14 June 2024 and the funds were sent to his account on 19 June 2024.

CCU issued a response to Mr P's complaint on 21 June 2024 and said loans could not be guaranteed. CCU added that all loans are subject to a hard credit search that will be noted on an applicant's credit file. CCU said Mr P's feedback had been noted. A follow up letter was issued on 24 June 2024 and confirmed CCU had already responded to Mr P's complaint.

Mr P referred his complaint to this service and said CCU had treated him rudely and unfairly during the application process. Mr P said he'd asked questions concerning the application process and timeline but wasn't given reasonable responses. Mr P also said CCU had discriminated against him in terms of the way it responded to his enquiries. Our investigator asked CCU for a copy of the 13 June 2024 phone call but it later confirmed there was no recording. CCU provided its case file, contact notes and chat history with Mr P along with other supporting information.

Our investigator accepted there were some delays with Mr P's application but didn't think CCU had treated him unfairly and didn't uphold his complaint. Mr P asked to appeal and said CCU had failed to meet several deadlines and that he was lied to. Mr P also said CCU had failed to give him and details of its investigation. Mr P confirmed he wasn't in a rush to take a new loan with CCU. Mr P said there was a cycle of delays, promised and missed deadlines and inaccurate or incomplete information provided. As Mr P asked to appeal, his complaint has been passed to me to make a 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I can understand Mr P's frustration that his loan application wasn't looked at as quickly as he was led to believe. I can see that during Mr P's first online chat with CCU and the agent said Mr P could make his application before his term date and that the outcome should be ready by 12 June 2024. But that didn't happen and Mr P's application wasn't assessed by 12 June 2024, as advised. So as a starting point, I am satisfied the application wasn't processed as quickly as initially advised.

It would've been useful to listen to Mr P's calls with CCU but it's confirmed they weren't recorded, including the call on 13 June 2024 where Mr P says he was spoken to rudely. CCU's provided its contact and complaint notes. They show the call didn't go smoothly and that CCU and Mr P were at odds. But the information from CCU shows that loan applications were delayed at this time generally due to an issue with its email system. That information appears to have been given to Mr P during his call with CCU. I accept the email issues CCU was experiencing appear to have impacted how long it took CCU to assess the application. But I think it's fair to say the delay appears to have been outside of CCU's control and that it had a genuine problem that impacted how long it took to complete the application.

Looking at the available evidence, it does appear the reason for the delay was caused by genuine technical issues and that this was communicated to Mr P on 13 June 2024. I accept the call didn't go smoothly. Mr P says CCU's agent was rude and aggressive. CCU says that Mr P became frustrated during the call and that it broke down when he was told about the delays in processing. Whilst I accept the call could've been handled better, overall, the information available doesn't persuaded me that CCU treated Mr P unfairly.

I note that whilst the application wasn't completed as quickly as initially advised, Mr P's loan funds were sent to him six days after the end of his existing loan term. Mr P's told us he wasn't desperate for the loan funds and I haven't seen anything that shows he was unreasonably inconvenienced by the delay.

Mr P's told us he feels CCU discriminated against him. I don't doubt how frustrated Mr P was at the delay of lack of clear guidance concerning the timeline for his application. But the first time I can see that Mr P made CCU aware of his vulnerability due to mental health was on 14 June 2024 when he emailed. CCU says it had no record prior to that. And whilst I accept how distressed Mr P was, CCU's confirmed the technical issues it had were impacting loan applications for all its customers, not just his case. So the delay wasn't specific to Mr P and I haven't seen anything that shows he was specifically targeted by CCU or treated unfairly. I note that shortly after Mr P gave CCU details of his mental health difficulties, his loan application was approved and funds released to him. I'm sorry to disappoint Mr P but I haven't been persuaded CCU treated him unfairly.

I agree CCU's final responses were light on details in terms of its investigation. But I'm satisfied CCU's responses to Mr P's complaint confirmed his feedback had been noted and offered genuine apologies for the confusion and conflicting information provided. In my view, CCU responded to Mr P's complaint fairly.

I'm sorry to disappoint Mr P as I can see how strongly he feels in this matter. But as I'm satisfied CCU explained why the loan application was declined and dealt with his complaint fairly I'm not telling it to do anything else.

### **My final decision**

My decision is that I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 3 December 2024.

Marco Manente  
**Ombudsman**