

The complaint

Mr B complains that Clydesdale Financial Services Limited trading Barclays Partner Finance (BPF) declined his application for a loan to purchase a phone.

What happened

In September 2024, Mr B completed an online application to take out a loan in order to purchase a phone. Mr B has explained he gave an income of £30,000 and has confirmed he owns his home without a mortgage. Mr B says he has excellent credit and had previously been approved for similar loans.

Mr B has told us his online application was quickly declined by BPF. Mr B says an application was then made in his wife's name which was also declined. Mr B made another application in his name and included additional income that hadn't been used in his previous attempt. The application was again declined by BPF.

Mr B has explained he doesn't agree the decision to decline his applications is in line with his credit file and circumstances and raised a complaint with BPF. A final response was issued on 9 October 2024. BPF said its decision to decline Mr B's application was correct and in line with its lending criteria. BPF advised that Mr B's application had been reviewed again by its manual underwriting team which reached the same decision to decline it. BPF didn't provide a specific reason explaining why Mr B's application was declined as its lending criteria is commercially sensitive.

An investigator at this service looked at Mr B's complaint. They looked at the evidence provided by both sides but didn't find anything that showed BPF had made a mistake or treated Mr B unfairly and didn't uphold his complaint.

Mr B responded and gave further detail concerning why he feels BPF's decision was unreasonable based on his circumstances. Mr B supplied evidence showing his financial situation and pointed out he'd successfully applied for a loan to purchase a phone four years before and repaid it without issue. Mr B also said he'd moved around two years before applying for the loan in September 2024 and lived at his previous address for around 25 years before that, details of both were provided in the application. Mr B also said he wanted to know what BPF's thorough manual review by its underwriting team involved. As Mr B 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 B's frustration at his applications being declined. Mr B has provided a lot of evidence that shows he's financially stable, has a good income and has previously successfully obtained finance for the same purpose. So I can appreciate why Mr B is confused and disappointed by the decision BPF made. The difficulty here is that BPF's lending criteria is commercially sensitive which means it can't be shared with Mr B, so I'm unable to provide the specific reason why the application wasn't successful.

I can confirm BPF has shared more information with us than it has given to Mr B but requested it's kept confidential. I'm satisfied that's reasonable in the circumstances of Mr B's case. I'd like to explain that the Financial Ombudsman Service is an independent party and has no direct interest in the overall outcome of a complaint. As an independent and impartial party, I'd like to assure Mr B that his application was correctly declined on the basis that it didn't meet BPF's lending criteria. I understand Mr B may find that difficult to accept, but I'm satisfied BPF has provided evidence that verifies its claim the decision to decline was in line with its lending criteria.

Mr B has asked what the "thorough" review by BPF's underwriting team involved. Essentially, BPF's underwriting team reviewed the application information Mr B supplied and compared it against its lending criteria to ensure the initial systems decision he received was correct. I've not seen anything that indicated BPF was looking to review Mr B's circumstances in more detail, only check whether the systems driven decision was correct. Ultimately, BPF has confirmed the decision to decline Mr B's application was correct and in line with its lending criteria.

I'm very sorry to disappoint Mr B as I do understand why he's unhappy with the outcome of his application and why he asked BPF to look into the matter further. But as I haven't seen any evidence that persuades me BPF made a mistake when it declined his application I'm unable to uphold his complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 February 2025.

Marco Manente
Ombudsman