

The complaint

Mr M complains that Clydesdale Financial Services Limited trading as Barclays Partner Finance (Barclays) lent to him irresponsibly.

What happened

In May 2019, Mr M entered into a finance agreement with Barclays as shown below, to buy a car.

Date	Amount of credit	Term	Monthly payment	Total repayable
22 May 2019	£13,996.00	60 months	£281.30	£18,578.00

In April 2024, Mr M complained to Barclays with the help of a professional representative. In his complaint, Mr M said at the time of the lending Barclays failed to perform proportionate checks and lent to him unfairly. He thinks that if Barclays had completed proper checks, it would have known the agreement wasn't sustainable.

Barclays looked into the complaint and issued a final response letter saying it didn't think it had acted unfairly. It said it had confirmed the agreement was affordable by gathering information from Mr M and checking the information the credit reference agencies (CRA) held about him.

Mr M didn't accept Barclays response, so he referred his complaint to our service, again with the help of a representative. One of our investigators looked into the case. Based on the evidence that was available, our investigator said she couldn't reasonably conclude that the lending was irresponsible, or that the relationship was unfair.

Mr M didn't accept what our investigator said and pointed to the information contained within his bank statements. So, as there was no agreement, the complaint has 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.

Having done so, I agree with the outcome the investigator reached for broadly the same reasons.

I think there are key questions I need to consider in order to decide what is fair and reasonable in this case:

- Did Barclays carry out reasonable and proportionate checks to satisfy itself that Mr M was able to sustainably repay the credit?
- If not, what would reasonable and proportionate checks have shown at the time?
- Did Barclays make a fair lending decision?

- Did Barclays act unfairly or unreasonably towards Mr M in some other way?

Barclays had to carry out reasonable and proportionate checks to satisfy itself that Mr M would be able to repay the credit sustainably. It's not just about Barclays assessing the likelihood of it being repaid, but it had to consider the impact of the repayments on him.

There is no set list of checks that it had to do, but it could take into account several different things such as the amount and length of the credit, the amount of the monthly repayments and the overall circumstances of the borrower.

Barclays has explained that it asked Mr M about his income and carried out a full credit search to get an understanding of Mr M's situation before it decided to lend to him. It's provided a copy of what it found and has said Mr M declared an annual income of £42,500 meaning he had a monthly income of around £2,690. Barclays verified Mr M's income with the credit reference agencies and said it included a sum to account for his other outstanding debt and for his essential expenditure when assessing his creditworthiness.

The credit search showed Mr M had a loan with a repayment of £370 a month and credit cards with combined monthly repayments of around £325. He was maintaining the accounts well, with no current arrears and there were no defaults, County Court Judgements (CCJ), bankruptcies, or IVA's recorded.

Although Barclays hasn't told us what figure it used when accounting for Mr M's essential expenditure, I can see that once Mr M's current debt and the repayments to this agreement are accounted for, he was left with around £1,700 a month for other essential expenses. So, I can't see that on the information available to Barclays the agreement appeared unaffordable. I also can't see evidence of any concerning information revealed by the checks, that meant Barclays were required to do more to establish creditworthiness, such as reviewing bank statements.

Based on what I've seen, I'm persuaded the checks Barclays completed were reasonable and proportionate to the amount and type of credit it went on to approve. And I'm satisfied the decision to approve the lending was reasonable based on the information Barclays obtained about Mr M's circumstances. I'm very sorry to disappoint Mr M but overall, I'm not persuaded that Barclays created unfairness in its relationship with him as a result of its decision to lend.

I can see that Mr M entered into an IVA around a year after taking out the agreement. However, given the nature of the agreement it was not included in the IVA and Mr M continued to make payments under the agreement until he completed it successfully in 2024. I haven't seen that Mr M contacted Barclays outside the IVA to ask for support or to terminate the agreement. So, I can't see that Barclays acted unfairly in how it handled the agreement with Mr M.

Overall, it's not clear enough to me that Barclays created unfairness in its relationship with Mr M by lending to him irresponsibly, or in the way it handled the account under the credit agreement. So, I don't find that Mr M's relationship with Barclays was unfair, and I can't conclude Barclays treated Mr M unfairly in any other way based on what I've seen.

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 M to accept or reject my decision before 27 October 2025.

Charlotte Roberts
Ombudsman