

## **The complaint**

Mr P is not happy that a loan application he made with Barclays Bank UK PLC trading as Tesco Bank (Tesco) was declined. Mr P believes he was declined because of his age.

## **What happened**

Mr P explained that when he applied for a loan with Tesco, the application was declined after he input his date of birth. Mr P said he initially completed the online eligibility checker which indicated there would be no issues, so he believes the application was declined based on what his age would be at the end of the loan term.

Mr P said he's been affected emotionally and personally and believes the decision was unfair. He said he's had to get the loan from elsewhere but wants compensation for the distress caused.

In May 2025, Tesco issued their final response to Mr P's complaint which they didn't uphold. In summary, it said part of their eligibility criteria, which was detailed on the application, is that borrowers must be under 75 years of age at the end of the loan term.

Unhappy with their decision Mr P brought his complaint to our service where it was passed to one of our Investigators to look into.

In September 2025, the Investigator issued their assessment of Mr P's complaint. In summary, it recommended that Mr P's complaint should not be upheld. The investigator considered that Tesco had acted fairly in how they assessed Mr P's loan application.

Mr P didn't accept this recommendation. He said he believed Tesco had discriminated against him based on his age. However, as the Investigator's opinion remained unchanged, Mr P asked that his complaint be referred to an ombudsman for a final 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.

In considering what is fair and reasonable, I've thought about all the evidence and information provided afresh and the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

Mr P has complained that Tesco failed to take due consideration of his individual financial circumstances. In other words, has failed in their duty under the Equality Act 2010. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr P wants a decision that Tesco has breached the Equality Act 2010, then they'd need to go to Court.

In their final response Tesco have confirmed they were unable to offer Mr P a loan. They also confirmed the eligibility for their loans meant that Mr P would have to be under the age of 75 by the end of the term. This is consistent with what Mr P has told us, so I don't think the details of the complaint Mr P has raised is in dispute.

Given the circumstances, my focus in this decision is on whether Tesco acted fairly in declining Mr P's loan application. While it's not within my remit to determine who Tesco should or shouldn't approve for lending, I can consider whether their terms and eligibility criteria were applied fairly and consistently in the circumstances of this case.

Tesco has shared the eligibility criteria for their loans. Part of the eligibility is in relation to a borrower's age. Tesco specify, in this case, that a borrower should be under the age of 75 by the end of the loan term. In their final response Tesco said that this information is present during the application process. So, it's likely Mr P would have been aware of it prior to making his application with them.

Additionally, Tesco has explained the rationale behind including this age-related criterion in their lending decisions, and I find their reasoning to be fair and justified.

I think it's reasonable to expect that a lender will have an eligibility criterion when considering lending to their customers. I'm satisfied it's prudent, and goes some way to safeguard lenders and borrowers from some of the inherent risks of lending.

The financial conduct authority (FCA) regulates lenders. They set out rules which firms must follow to ensure they lend responsibly. Having considered Tesco eligibility criteria I don't consider that any part of it, particularly the part relating to a customer's age is necessarily unfair. I recognise not all lenders may have to same criteria; however, I don't consider there are any rules which say all lending criteria must be the same. So, I don't think Tesco are acting unreasonably if they choose to tailor or apply the criteria for their lending within the framework given by the FCA. It follows that I think it's reasonable that Tesco include a consideration of a customer's age, when considering an application for lending.

All things considered, I'm satisfied Tesco were acting reasonably by having an eligibility criterion, and that it was applied in a fair and reasonably transparent way with regard to Mr P's loan application. I've seen no evidence that Tesco have acted unfairly or unreasonably in the circumstances of this complaint.

### **My final decision**

My final decision is that I don't uphold Mr P's complaint about Barclays Bank UK PLC trading as Tesco Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 28 November 2025.

Benjamin John  
**Ombudsman**