

The complaint

Miss P has complained about Clydesdale Financial Services Limited (trading as Barclays Partner Finance (BPF)) holding her liable for two debts.

What happened

To reflect my role of resolving disputes quickly with minimum formality, I'll only briefly summarise what happened here.

In March 2023, Miss P bought two new mobile phones using two fixed sum loan agreements provided by BPF. Miss P says she's never used either phone or derived any benefit from them as they were taken at the point of sale by another person, who I'll refer to as D.

In July 2023, Miss P asked the Financial Ombudsman to consider a complaint against BPF as she believed both credit agreements had been mis-sold as BPF had failed to carry out reasonable and proportionate checks to ascertain she could afford to repay the borrowing. We wrote to Miss P asking her to agree to our declaration. But we didn't receive a response. So, we closed the complaint without us issuing any findings as we didn't have the authority to investigate the matter.

In January 2025, Miss P contacted BPF to say she'd been coerced and threatened by D in 2023 to apply for the phones and the linked credit agreements. BPF didn't uphold the complaint saying they'd contacted the Police and they'd responded by saying their records showed Miss P had reported the phones as stolen. So, BPF informed Miss P she remained liable to repay the respective outstanding balances. However, BPF did offer to pay to Miss P a distress and inconvenience payment of £100 due to delays in them investigating and issuing their final response to the coercion complaint.

Unhappy with BPF's final response, Miss P asked the Financial Ombudsman, in October 2025, to consider the matter, saying, she'd contacted the Police asking them to amend their records to reflect she had reported, '*coercive control, domestic abuse, manipulation, intimidation, emotional and sexual coercion, and financial abuse*' – not that the phones had been stolen. In addition, Miss P said it was unfair BPF had registered a default on her credit record.

In summary, our Investigator thought:

- BPF had acted fairly when concluding there was insufficient evidence to show Miss P had been made to apply for the two credit agreements in 2023 due to coercive and threatening behavior by D.
- BPF had acted fairly when registering the adverse loadings on Miss P's credit record given this represented a true and accurate reflection of how both accounts had been managed by Miss P.
- the £100 BPF had offered to pay to Miss P comprised of a fair amount for the acknowledged delays and poor customer service.

Miss P didn't agree with the Investigator's findings, saying, in summary, Barclays should have reassessed her complaint following them receiving the full transcript of what she'd told the Police - with the Police confirming, *'all correspondence from yourself relating to the circumstances around this matter is recorded on the theft report and references the linked report pertaining to the coercive control'*. In addition, Miss P said she didn't believe responsible lending had been properly assessed. So, the complaint has come 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.

Miss P has raised several detailed complaint points to BPF and this service. I want to assure Miss P and BPF that I've reviewed everything on file. However, in my decision, I don't intend to refer to everything or address every point made. I mean no discourtesy by this. If I don't comment on something, it's not because I haven't considered it, it's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I can consider this complaint because the issues Miss P is complaining about relate to a regulated credit agreement.

Miss P has recently queried why neither BPF nor the Financial Ombudsman has assessed whether BPF engaged in irresponsible lending in 2023 as part of this complaint. This is because Miss P didn't raise this as a complaint issue to BPF in January 2025 – she only said she'd been threatened and coerced into applying for the phones and linked credit agreements. This is the complaint BPF investigated and responded to. So, I'm not going to consider whether BPF lent irresponsibly in March 2023 as part of this complaint.

BPF issued a final response in August 2023 to the irresponsible lending complaint Miss P raised at the time. BPF said they were unable to uphold the complaint because the evidence didn't show either loan was unaffordable. However, BPF did say they'd reconsider the issue if Miss P provided them with the requested information. As the final response was issued more than two years ago, I don't know if BPF would now consent to them reconsidering the affordability complaint. And for the same reasons, the Financial Ombudsman may also decline to reopen our case file – which we set up in July 2023.

What I need to decide here is whether BPF is fairly holding Miss P liable for the outstanding balances for the two credit agreements, has fairly arranged for the missed payments and defaults to be registered on her credit record and if the £100 BPF has offered to pay to Miss P is reasonable for the acknowledged delays and poor customer service.

Coercive and threatening behaviour

I'm aware the Financial Ombudsman has previously considered a car finance complaint Miss P raised against another business. That finance agreement was taken around the same time as the credit agreements used to fund the purchase of the two phones. As part of that complaint, Miss P provided copies of multiple messages she exchanged with D. I think it's fair to say these show she was in an abusive relationship. I'm sorry to hear about what Miss P has experienced. But I'm not persuaded they show D coerced Miss P into applying for the credit agreements linked to the two phones.

Based on what I've seen, I'm satisfied there was nothing to suggest to BPF at the point of sale that Miss P may have been in a coercive and abusive relationship. I say this because

it's my understanding the phone and linked credit agreement applications were made online with the devices being picked up at a store operated by the manufacturer. I'm also mindful that in the complaint Miss P raised with BPF in July 2023 she made no mention of coercion. Given the passage of time, I understand why BPF wanted to see more to show this.

Miss P has provided evidence to show she had reported to the Police she was in an abusive and coercive relationship with D. I note the Police has now said this is correct. But it seems the Police has still recorded the phones were stolen – which is what they told BPF. So, I understand why BPF would have had concerns about the apparent contradictory information.

Miss P has made a very serious allegation against D. Unlike a court, I'm unable to summon witnesses for cross examination. And BPF would have faced similar hurdles. So, it's difficult to reach firm conclusions in the informal forum that I'm able to investigate this complaint.

I think BPF took account of all the information they received prior to them issuing their final response. And on balance, I don't think it was unreasonable for BPF to conclude the evidence didn't show with enough certainty that Miss P had taken the two credit agreements due to coercive behaviour by D. To be clear, it's not to say this didn't happen or that Miss P wasn't subjected to coercive and abusive behaviour by D. But, overall, I consider it was reasonable for BPF to want to see more to show this.

BPF has said they'd be willing to reconsider the outcome should Miss P be able to provide them with more information. I think this is fair, although I appreciate it seems Miss P has already provided all the information she currently has available. However, should D be found guilty by the courts of coercive and abusive behaviour in relation to the credit agreements then this is something Miss P could present to BPF for their consideration.

Registering of default

The payment history for the two credit agreements shows that soon after they started, the respective monthly instalments were either paid late or not at all. BPF has provided copies of the multiple letters they issued at the time to make Miss P aware of the missed payments and the subsequent default notifications. I've also seen BPF issued letters asking Miss P to contact them if she was experiencing financial difficulties and needed any additional support.

Overall, I think BPF did what I'd have expected them to do when notifying Miss P of the missed payments and what would happen if they weren't paid by a certain date – as set out by the Consumer Credit Act 1974 (CCA). I'm also satisfied this was in accordance with the default guidelines issued by the Information Commissioner's Office (ICO) - which says a default should typically be recorded when an account is three months in arrears, and generally by the time it's six months in arrears.

BPF is obligated to report true and accurate information to the credit reference agencies. I haven't seen anything to show me BPF told Miss P that they wouldn't report missed payments and defaults to the credit reference agencies. Nor have I seen anything to show that what BPF has reported isn't accurate. In all the circumstances, I think it was fair for BPF to pass on the missed payment information to the credit reference agencies. So, while I appreciate Miss P believes the loadings on her credit record are unfair and will have an impact on her being able to secure future credit, I don't require BPF to remove them.

For the reasons I've explained above, I don't think BPF acted unfairly when not cancelling the credit agreements linked to the two phones and when requiring Miss P to pay the outstanding balances. It's my understanding BPF has now appointed a debt collection agent to collect the debt. However, I'd remind BPF of the Financial Conduct Authority's

requirement for firms to treat customers experiencing financial hardship with forbearance and due consideration. Miss P may wish to speak to BPF to discuss a way forward, and if she thinks they treat her unfairly it might be something we can consider for her.

Customer Service

Ordinarily, the FCA expects a business to issue a final response to this type of complaint within eight weeks of receipt. But on this occasion, this didn't happen – it was issued around ten months after Miss P first raised the complaint with BPF. To compensate for any distress and inconvenience this may have caused, BPF offered to pay to Miss P £100.

I appreciate this was a complex and sensitive matter and BPF needed to obtain information from a third party. But I think BPF ought reasonably to have issued their final response much sooner than they did. In the circumstances, I consider BPF paying Miss P the offered £100 would comprise of a fair amount for the acknowledged delays in BPF investigating and responding to Miss P's complaint and the impact this had on her.

My final decision

My final decision is that in so much as Clydesdale Financial Services Limited (trading as Barclays Partner Finance) hasn't already done so, they should pay £100 to Miss P.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 11 May 2026.

Carl Bibby
Ombudsman