

complaint

Mr G complains that Lloyds TSB Bank Plc has lent to him irresponsibly and has not taken account of his health problems.

background

Mr G opened a current account and a credit card account with Lloyds TSB in the 1970s and it provided him with a loan in 2006. He complained to Lloyds TSB that he was unwell when the money was provided to him and that Lloyds TSB should therefore write-off his outstanding debts. He was not satisfied with Lloyds TSB's response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. She concluded that the lending was not obviously unaffordable at the time and that Lloyds TSB would not necessarily have been aware of Mr G's health problems until recently. She also concluded that Mr G did not dispute receiving the money and benefitting from it and that Lloyds TSB had responded to his financial difficulties positively and sympathetically.

Mr G says that he was refused an overdraft so his application for a loan should also have been refused. He also says that he was unwell at the time so it was unreasonable for Lloyds TSB to lend to him and that he cannot repay the debts.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr G has produced evidence of his health problems but I am not persuaded that there is enough evidence to show that Lloyds TSB was aware of those health problems when it provided him with a loan in 2006.

It was Lloyds TSB's decision to refuse him an overdraft but the refusal of an overdraft does not mean that it would be inappropriate for the bank to provide a loan to him, which is a more formal and structured form of lending than an overdraft. I am not persuaded that there is enough evidence to show that the loan was unaffordable for Mr G at the time that it was made.

Lloyds TSB has considered Mr G's financial difficulties and has tried to set up repayment plans with him for each account having regard to his income and expenditure. Each account is now with recovery agents. I consider that Lloyds TSB has responded to Mr G's financial difficulties positively and sympathetically.

I do not consider that Lloyds TSB has lent to Mr G irresponsibly and I do not consider that it would be fair or reasonable for me to require it to write-off his outstanding debts.

my final decision

For these reasons, my decision is that I do not uphold Mr G's complaint.

Jarrold Hastings
ombudsman