

## **complaint**

Mr W complains that Lloyds Bank PLC (formerly Lloyds TSB Bank plc) is asking him to pay a debt he does not owe. He says he wants to see proof he owes the debt. He also disputes the amount owed as he was paying the debt through a debt management company.

## **background**

Mr W says he does not remember taking out a loan or having an overdraft with Lloyds in 2002. He says he had suffered a head injury, making him unwell and vulnerable. Mr W says he did not receive a statement from Lloyds for 10 years. He was contacted by a debt collection company in 2004 and agreed a repayment plan for a debt owed to Lloyds. Mr W says he was not sure what the debt was, but assumed it was for a small amount.

Mr W says the loan documents Lloyds sent to him are unreadable. He says Lloyds has not given him any proof of the overdraft. Mr W also disputes the amount owed as he says he has repaid the debt through the repayment plan. Lloyds paid £100 compensation for delays in providing copies of the loan agreement to Mr W.

The adjudicator did not recommend that the complaint should be upheld. She said there was evidence Mr W had agreed to the loan and had used the proceeds to repay a previous loan and overdraft. The adjudicator said Lloyds was not aware of Mr W's condition when the loan was made, so could not reasonably be expected to have taken it into consideration.

Mr W did not agree, saying he was targeted by Lloyds and persuaded to take out the loan, which he did not want, while unwell. He says Lloyds' employees, some of whom he knew socially, were aware of his condition but did not record it in his account notes.

Mr W also raised concerns about the sale of payment protection insurance (PPI). The adjudicator said he must first raise these concerns with Lloyds.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I am satisfied from the evidence that Mr W agreed to the loan and the overdraft. Mr W did not maintain payments and the loan and overdraft were passed to Lloyds' debt recovery department. The loan and overdraft were consolidated into one debt, interest and charges were frozen and a repayment plan was agreed. I am satisfied that while Mr W has made payments under the repayment plan, a balance remains outstanding.

I appreciate that the loan and overdraft were taken out during a difficult period in Mr W's life. But I am not persuaded from the evidence that Lloyds pressured Mr W to take the loan or was aware that Mr W had a medical condition that might have made the offer of a loan inappropriate.

I understand Lloyds has responded to Mr W's concerns about the PPI added to his account and offered a settlement. I leave it to Mr W to decide whether to accept Lloyds' offer. I would

urge Lloyds and Mr W to maintain communication with the aim of agreeing a repayment plan for the outstanding balance.

**my final decision**

My decision is that I do not uphold this complaint.

Ruth Stevenson  
**ombudsman**