

## Barclays sued for £4m by GPs

By Kiki Loizou



Three doctors are suing Barclays for £4m, alleging the bank mis-sold them a complex financial product that ended up costing their practice millions of pounds.

The bank sold the interest rate swap to Dr Isobel Bleehen and her two partners in 2007, when the trio obtained a £5.2m loan to expand Pinn Medical Centre in Pinner, northwest London.

The derivative was meant to protect them against a rise in rates. However, when the cost of borrowing was slashed in the aftermath of the 2008 banking crash, the doctors were hit with crippling charges.

They have so far paid almost £2m and would have to fork out more than £2m to break the deal, which they locked into for 27 years.

Through a compensation scheme set up by the Financial Conduct Authority, Barclays admitted mis-selling the swap, saying the doctors “were not provided with sufficient information to understand the features, benefits and risks”. It added that the surgery had been “provided with advice to enter into the deal [swap] in circumstances where no such advice should have been given”.

However, the bank concluded that the doctors would have taken out the product regardless and declined to give them redress.

“If we knew the consequences, we wouldn’t have touched a product like that,” said Bleehen. “They described it to us as being no-cost insurance protection.” The doctors, who are claiming more than £4m in compensation, have been set a court date for July next year.

Barclays said it would be “vigorously defending” the case.