

Huge payouts for timeshare buyers at footballers' resort

David Brown

More than 1,000 British buyers mis-sold loans at a timeshare development linked to Gary Neville, the former England footballer, are to receive millions of pounds of repayments from Barclays bank.

Lawyers believe that a ruling by Britain's financial regulator could "open the floodgates" to claims from those mis-sold loans at other developments.

The *Times* revealed last year that the Financial Conduct Authority (FCA) was investigating loans made to timeshare buyers at resorts in Malta which had been part-owned by Neville and Ryan Giggs, the Wales manager and a fellow former Manchester United player.

The regulator has now ordered Barclays Partner Finance to repay all the interest it has charged on £48 million of loans to 1,482 buyers at the Golden Sands resort in Malta. The bank has also been banned from charging future interest and must review affordability checks completed when loans were agreed.

The company that marketed the timeshares was found to have been operating without authorisation under British law to act as financial broker between April 2014 and April 2016.

Adriana Stoyanova, a lawyer with MI Legal, which challenged the FCA's original decision to allow the loans to continue unchanged, said that the new ruling "may open a floodgate of claims against banks". A review of the loans involved in her firm's other timeshare cases has found that many custom-

ers had "been introduced to the banks by unauthorised credit intermediaries".

In other cases, although the loan agreement may have been made in the name of an authorised company the sales representatives, as at Golden Sands, may have been with another company, Ms Stoyanova added. She believes the interest to be repaid or waived amounts to about £26 million, although Barclays claims that those estimates are "materially overstated".

The regulator said Barclays Partner Finance "knew or ought to have known" about the breach in rules by September 2014 from a series of emails sent to the company's head of compliance, vice-president and legal counsel.

Neville, 45, became a non-executive director of Island Hotels Group Holdings in 2009 after he and Giggs, 46, each invested €1.1 million. The group owned 50 per cent of the Golden Sands resort and 50 per cent of Azure Services Limited, which marketed the timeshares and brokered the Barclays loans.

Island Hotels was sold to another Maltese group in September 2015.

A Barclays Partner Finance spokesman said: "We will be contacting all affected customers to explain what this means for them. We ended our relationship with Azure in 2018, and since then have put in place a number of new systems, processes and training to prevent this from happening again."

There is no suggestion of any wrongdoing by either Neville or Giggs.

Azure Resort Ltd, which ran Golden Sands, did not respond to a request for comment. It went into liquidation in April but the resort is operating as normal.

Gary Neville had invested in Golden Sands, in Malta

