

The complaint

Mrs P complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk ("MoneyBoat") lent to her when she could not afford to repay it.

What happened

Mrs P took one loan with MoneyBoat just before Christmas in December 2023. It was for £500, the total to repay was £998.82. There were due to be six instalment repayments of just over £166 each month. No payments have been made.

The final response letter from MoneyBoat explained why it considered it had lent responsibly. Mrs P referred it to the Financial Ombudsman Service where one of our investigators considered that MoneyBoat had carried out proportionate checks and was not going to ask it to do anything. Mrs P disagreed and further confirmed that no payments had been made towards the loan. The unresolved complaint was passed to me to decide.

On 17 July 2025 I issued a provisional decision giving reasons why I considered that the complaint ought to be upheld. That is duplicated in full here for ease of reading:

What I provisionally decided on 17 July 2025 – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. We've set out our general approach to complaints about this type of lending - including all the relevant rules, guidance, and good industry practice - on our website.

MoneyBoat had to assess the lending to check if Mrs P could afford to pay back the amounts she'd borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. MoneyBoat's checks could've considered several different things, such as how much was being lent, the size of the repayments, and Mrs P's income and expenditure.

I think in the early stages of a lending relationship, less thorough checks might have been proportionate. But certain factors might suggest MoneyBoat should have done more to establish that any lending was sustainable for Mrs P. These factors include:

- Mrs P having a low income (reflecting that it could be more difficult to make any loan repayments to a given loan amount from a lower level of income).
- The amounts to be repaid being especially high (reflecting that it could be more difficult to meet a higher repayment from a particular level of income).
- Mrs P having many loans and/or having these loans over a long period of time (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable).
- Mrs P coming back for loans shortly after previous borrowing had been repaid (also suggestive of the borrowing becoming unsustainable).

There may even come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable for Mrs P. I don't think that this applies to Mrs P's circumstances as only one loan was approved for her.

MoneyBoat was required to establish whether Mrs P could *sustainably* repay the loan – not just whether she technically had enough money to make her repayments. Having enough money to make the repayments could of course be an indicator that Mrs P was able to repay the loans sustainably. But it doesn't automatically follow that this is the case.

I accept that in theory MoneyBoat carried out proportionate checks. And its calculations in its Income and Expenditure (I&E) may have indicated that Mrs P could repay her loan over the six months. But I have reviewed the credit search MoneyBoat obtained and on that alone it is clear that it ought to have refused the loan. I plan to uphold the complaint.

Mrs P had a County Court Judgment dated January 2020 for £1,418. Mrs P had so many defaulted accounts on her credit file I gave up counting but it was certainly more than fourteen. These ranged from credit cards to mail order accounts: some had been paid off and were marked satisfied and others still had outstanding amounts on them. Two at least were as recent as 2022.

Mrs P had a delinquent utility account from September 2023 which was showing that she owed £1,186 on the account. This was just a couple of months before Mrs P approached MoneyBoat for the loan. Likely this MoneyBoat loan was to pay for some of the utility bill and to get through Christmas.

Mrs P needs to be aware that as she's paid nothing towards the loan then there is nothing to refund. And so, if Mrs P has paid anything towards the loan since making the complaint in the autumn of last year she's to inform me. And MoneyBoat can do the same.

I will need to address what is done about the credit file. Please can both parties update me on the status of the account now as the complaint was brought several months ago and I need the up-to-date picture.

If Mrs P has made some payments I will add the redress paragraphs to the final decision. All I can ask is that MoneyBoat treats Mrs P with empathy and with forbearance and engages with her to enter into a repayment plan to pay back the capital of £500.

I've considered whether the relationship between Mrs P and MoneyBoat might have been unfair under s.140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed or will, depending on the circumstances, direct should be carried out for Mrs P results in fair compensation for her in the circumstances of her complaint. It will mean that the interest originally due on the loan will be removed. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My provisional decision

My provisional decision is that I plan to uphold the complaint. I will direct that Evergreen Finance London Limited trading as MoneyBoat.co.uk puts any payments made by Mrs P towards repayment of the capital if she's made any payments. But on current evidence none have been made.

I will make a direction on the credit file amendment when I have been given the up-to-date position regarding the loan.

This is the end of the duplicated provisional decision.

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.

I've had no response from Mrs P. MoneyBoat has responded recently to confirm that no payments have been received from Mrs P and the outstanding balance stands at £1,000.

As no party to the complaint has provided any further arguments or evidence, I make no alterations to my reasoning and the outcome set out in my provisional decision. I uphold the complaint.

Putting things right

MoneyBoat has no refund to make to Mrs P as no payments have been received by it. The interest and charges on the loan account need to be removed. Mrs P will still have to repay the £500 capital sum owed.

MoneyBoat will have to arrange a repayment plan with Mrs P. I recommend Mrs P gets in touch with it to arrange that repayment plan. I remind MoneyBoat of the need to treat Mrs P with empathy and forbearance.

I make no direction as to any changes to Mrs P's credit file other than the sums owed.

I've considered whether the relationship between Mrs P and MoneyBoat might have been unfair under s.140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed should be carried out for Mrs P results in fair compensation for her in the circumstances of her complaint. The interest element will be removed and Mrs P will be left having just to repay the principal sums. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My final decision

My final decision is that I uphold the complaint. The redress paragraph sets out how I expect Evergreen Finance London Limited trading as MoneyBoat.co.uk puts things right for Mrs P.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 28 August 2025.

Rachael Williams
Ombudsman