

The complaint

Mr P complains Everyday Lending Limited trading as Everyday Loans ("EL") didn't provide him with a copy of the agreement or clear information about the loan he took out with it.

What happened

Mr P borrowed from EL over a 60 month term in July 2023 to consolidate existing borrowing. He told us he became aware, just under a year after taking out the loan - when seeking independent advice about his existing debts - that there were significant issues with his loan. He asked EL for a copy of the agreement and then complained to them in August 2024.

Mr P had three key concerns. Firstly, when he asked there was no signed agreement to provide, which he said raised concerns about the enforceability of the agreement. Secondly, the loan terms including the total amount payable and the interest rate weren't adequately explained to him during the application process, which he thought showed a lack of transparency. And finally, that the interest rate applied to the loan was excessively high and wasn't sufficiently justified or fully disclosed to him.

EL sent a final response to the complaint on 23 September 2024. They didn't uphold the complaint. It said the signed agreement had been provided to Mr P when he attended the in branch appointment and, although it retained a copy, due to the closure of the branch, it was unable to now provide him with that. But it had sent him an unsigned copy when he'd asked in August 2024. It also thought the key information about the loan would've been confirmed at the branch appointment. And after reviewing a call recording of his conversation with the branch manager on 6 July 2024, it noted the requisite information had been given then. EL also said, as Mr P had approached it via a credit broker, the broker would have identified a number of possible lenders and possible interest rates and the total value to him before he agreed to the loan amount.

In respect of the interest rate EL said this applied on a case by case basis depending on the financial portfolio of the borrower. And, based on this, the interest rate on the loan was pre-determined at the time of conception as being the most affordable for Mr P as well as ensuring risk was mitigated to the company.

Our investigator didn't uphold the complaint. He wasn't persuaded EL made an error here. He thought, on balance, it was more likely than not, Mr P had signed a copy of the loan agreement and was agreeable to its terms. Our investigator thought the closure of the branch Mr P attended meant EL were unable to provide him with a copy of the agreement but he wasn't persuaded this made the loan invalid.

Mr P remained unhappy. He told us, after seeking additional advice, he didn't accept the findings and asked for an ombudsman to review the matter and decide on key issues he'd already highlighted in his complaint. He told us he didn't have any further evidence to provide at this stage but he thought the investigators conclusions were based on incomplete or inconsistent reasoning. Mr P said there was a lack of access to evidence and asked for the call recordings EL had sent to this service so he could respond fully to its claims. These have been sent to him.

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'd like to begin by setting out the role of this service. It is an informal dispute resolution service. It isn't a Court of Law or a Regulator and doesn't operate as such. This means, as our investigator has already said, that it isn't within my remit here to declare on the enforceability of this loan or regulatory concerns as Mr P invites me to. Such declarations would be for a Regulatory body or a Court of Law to potentially make if the issue were before them.

Having looked at all the evidence here and considered the matter afresh, I've come to the view this isn't a complaint I can uphold. I'll explain why.

There's clearly a disagreement between the parties on what happened when Mr P met with EL and this agreement was completed.

I can't know exactly what went on at the meeting and during the execution of the agreement. In cases like this, where the evidence is inconclusive, I reach my decision on the balance of probabilities. That means I'll look at all the available evidence and decide what I think is most likely to have happened.

EL accepts it doesn't have a signed copy of the agreement - it says that's due to the closure of the branch in question. Mr P says he was never given one. In response to Mr P's request, EL sent a blank copy of the agreement he would have signed. I can see Mr P's unhappy about this but, for reasons I'll explain, on balance, I don't think the lack of a signed copy being available now, means the loan terms and interest rate weren't made clear to him at the time.

I've listened to the call recordings from EL. I think the call from 6 July 2023 is important. In that call Mr P confirms, when specifically asked, details from the previous days meeting in the branch *and* that he's been provided with *all the necessary information* about this loan.

In the call Mr P specifically confirms the loan amount, that it's for debt consolidation, his awareness of the monthly payment, the loan amount, the APR and the total amount repayable *and* that he's been shown where to find all those details in his contract with EL. He also confirms he discussed in the branch meeting the consequences of missing payments, how he could settle the loan early and what the cost of that would be along with his cancellation rights under the agreement. At the end of the call when he's asked if there's anything he wants to recheck Mr P confirms he's happy with everything he went through yesterday in the branch meeting. So, on balance, I'm satisfied the essential information was given to Mr P at the time of the agreement and this call.

Even if I were to accept Mr P's argument - that EL didn't provide appropriate information at the time about the terms of the loan and the interest rate - I think his conduct after receiving the loan capital and in repaying it without question for the first twelve months is significant here. If the principal sum wasn't what Mr P was expecting to receive or if the loan repayments seemed more than he'd understood, I think it's reasonable to have expected him to have raised a concern much sooner than he did here.

So, although I don't have a signed copy of the actual agreement Mr P signed, on balance, this call recording, the reconstituted agreement, his lack of action in the immediate aftermath of the loan and the twelve months after, all persuade me that, on balance, he's been provided with all the necessary information about this loan. If there had been any doubt,

confusion, or dissatisfaction in Mr P's mind I'd expect him to have acted and raised this sooner than he did. Particularly as his cancellation rights and the costs had been highlighted to him and acknowledged in this recorded call.

There's very little I can add to what our investigator has told Mr P about the interest rate and the cost of the borrowing. Who a lender lends to and on what terms are a commercial decision for the business and not one this service would ordinarily get involved in. Particularly when, as in this case, there's no evidence to suggest that all the relevant details haven't been provided to the borrower and they've been left to make an informed choice.

Given how strongly Mr P feels about this he may wish to take matters further. I can see he's already taken independent advice about his finances. But, for the reasons I've explained, I'm not going to uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 13 May 2025.

Annabel O'Sullivan
Ombudsman