

The complaint

Mr D complains that Amplifi Capital (U.K.) Limited trading as Reevo (“Reevo”) irresponsibly provided him with a loan whilst he was struggling financially and had a gambling addiction.

What happened

Reevo provided Mr D with a loan for £1,500 on 2 December 2024 after he had searched online through a third party intermediary. The terms of the loan meant it was to be repaid over 24 months at an APR of 43%. This meant that Mr D would be paying £89 a month with a total repayable of £2,178.

On 9 December 2024, Mr D complained to Reevo that it had lent to him irresponsibly whilst he was gambling and struggling financially. He felt that Reevo hadn’t conducted sufficient checks and if it had, his gambling addiction would have been obvious.

Following Mr D’s complaint, Reevo wrote to him in a final response (FRL) on 24 December 2024 and explained it wasn’t upholding his complaint. Unhappy with this response, Mr D referred the complaint to us.

Our investigator thought Reevo had conducted proportionate checks before agreeing to lend and had made a fair lending decision and didn’t uphold Mr D’s complaint.

As Mr D disagreed with this outcome the case has been passed to me to make a 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.

Having done so, I’ve reached the same conclusion as that of our investigator and for broadly the same reasons.

I’m aware that I’ve summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I’ve focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Lastly, I would add that where the information I’ve got is incomplete, unclear or contradictory, I’ve to base my decision on the balance of probabilities.

Reevo will be familiar with all the rules, regulations and good industry practice we consider when looking at a complaint concerning unaffordable and irresponsible lending. So, I don’t

consider it necessary to set all of this out in this decision. Information about our approach to these complaints is set out on our website.

Having carefully looked at everything provided by both parties, I've decided to not uphold Mr D's complaint. I've explained why below.

Reevo's decision to lend to Mr D

Reevo needed to make sure that it didn't lend irresponsibly. In practice, what this means is Reevo needed to carry out proportionate checks to be able to understand whether Mr D could afford to repay the loan he had applied for before granting it.

Our website sets out what we typically think about when deciding whether a lender's checks were proportionate. Generally, we think it's reasonable for a lender's checks to be less thorough – in terms of how much information it gathers and what it does to verify it – in the early stages of a lending relationship.

But we might think it needed to do more if, for example, a borrower's income was low or the amount lent was high. And the longer the lending relationship goes on, the greater the risk of it becoming unsustainable and the borrower experiencing financial difficulty. So we'd expect a lender to be able to show that it didn't continue to lend to a customer irresponsibly.

Reevo says it agreed to Mr D's application after he provided details of his employment and salary and some information on his expenditure. It says it cross-checked this against information on a credit search it carried out and by using national statistical data. Reevo said there was no recent adverse credit information prior to the applications such as defaults or delinquencies. In Reevo's view all of this information showed Mr D could afford to make the repayments he would be committing to.

On the other hand, Mr D has said he was in financial difficulty, was reliant on hardcore borrowing and had a gambling addiction.

I've carefully thought about what Mr D and Reevo have said.

Reevo didn't just simply accept what Mr D said. It carried out credit searches which showed that Mr D had no recent adverse information on his credit file that it could see. And given the relatively low monthly repayments required here, I don't think that it was unreasonable to rely on Mr D's declarations, which suggested that the repayments were affordable. I say this as from the information Reevo gathered Mr D was left with a disposable income of over £400 a month and this was after taking into consideration the new monthly loan repayment of £89. So I think a repayment of around £89 a month, in the absence of any concerning evidence, appeared affordable.

I accept that Mr D appears to be suggesting that his actual circumstances may not have been fully reflected either in the information he provided, or the information Reevo obtained. Mr D told us he was gambling excessively at the time of the application and was struggling financially. However, Mr D didn't make Reevo aware of these issues until he made his complaint to it and nor would it have been evident from the information it obtained. I'm sorry to hear about what Mr D told us was happening in his personal life at the time and I hope that he considers the signposting our investigator suggested if he needs further support for both his financial situation and gambling addiction.

But it's only fair and reasonable for me to uphold a complaint in circumstances where a lender did something wrong. Given the amount of the monthly repayments and the lack of

other obvious indicators of an inability to make the low monthly repayments in the information Reevo did obtain, I don't think that reasonable and proportionate checks would have extended into requesting the information that would have shown Mr D's personal issues at the time.

At best, even if I were to accept that further checks were necessary, which I'm not necessarily persuaded is the case here, any such checks would only have gone as far as finding out more about Mr D's regular living costs. And I don't think that conducting a full financial review – which was really the only way that it might have been able to find out the full extent about Mr D's circumstances - was the only way that Reevo could have done this. But I think going as far as this would have been disproportionate given the circumstances. And given the fact that Mr D wanted this loan, I'm not sure he would have disclosed his full financial situation in the knowledge that if he had, the loan may not have been approved.

As this is the case, I don't think that Reevo did anything wrong when deciding to lend to Mr D - it carried out proportionate checks (albeit I accept that Mr D doesn't agree that these went far enough) and reasonably relied on what it found out which suggested the repayments were affordable.

So overall I don't think that Reevo treated Mr D unfairly or unreasonably when providing him with his loan. And I'm not upholding Mr D's complaint. I appreciate this will be very disappointing for Mr D as I can see that he feels strongly about this matter. But I hope he'll understand the reasons for my decision and that he'll at least feel his concerns have been listened to.

Although I'm not upholding this complaint, I'd like to remind Reevo of its obligation to exercise forbearance and due consideration should it intend to collect on any outstanding balance on Mr D's loan, considering what he's said about his current financial position and experiencing financial difficulty.

Did Reevo act unfairly in any other way

I've also considered whether Reevo acted unfairly or unreasonably in any other way, including whether the relationship between Mr D and Reevo might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Reevo lent irresponsibly to Mr D or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

For the reasons given above, I'm not upholding Mr D's complaint against Amplifi Capital (U.K.) Limited trading as Reevo.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 30 September 2025.

Paul Hamber
Ombudsman