

The complaint

Mr F complains 247 Money Group Limited (“247”) irresponsibly lent to him.

What happened

In December 2021 Mr F took out motor finance with 247. He was provided with £8,250 to be repaid over 60 months with a monthly repayment amount of £287.80.

In January 2022 Mr F started to miss the repayments. There were a number of temporary arrangements in place between January 2022 and August 2022 when the vehicle was impounded due to no insurance.

Mr F set up another arrangement with 247, which was then broken and 247 made steps to recover the car. In July 2023 the vehicle was seized after a third party was pulled over by police driving the car.

In November 2023 247 sold the vehicle and reduced Mr F’s outstanding balance by the amount the car was sold for.

Mr F raised an irresponsible lending complaint in 2024. He said no other finance providers would give him car finance at the time, but 247 allowed him to take £10,000 without completing any credit checks. He said he couldn’t afford the credit and it put him in severe financial hardship. He said it’s causing him anxiety and sleepless nights.

In January 2025, after Mr F referred his complaint to our Service, 247 issued a final response letter. They said they completed proper checks and even took a copy of Mr F’s contract of employment to determine he was earning around £25,000 per year at the time. They said they verified his monthly income and are satisfied that it was affordable for him based on the information they had at the time.

An Investigator at our Service looked into things. They said although 247 say they completed a credit check, they’re unable to provide a copy of that, so they can’t be satisfied checks were proportionate. They asked Mr F for a copy of his bank statements to help them piece together what checks would’ve shown, but he was unable to provide them, so they rejected the complaint.

Mr F responded by sending some statements – but not all. The Investigator used the statements they did have, but Mr F refused to send statements from his other account to help with the investigation. So, the outcome remained the same.

Mr F disagreed with this. He said his outgoings couldn’t have been £87 per month because even food costs more than this. He listed a number of other things he spends money on that cost more than £87 including insurance, cigarettes and clothing.

Because an agreement couldn’t be reached, the complaint has been passed to me to decide.

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, and without the additional evidence from Mr F, I'm in agreement with the Investigator.

We've explained how we handle complaints about irresponsible and unaffordable lending on our website. And I've used this approach to help me decide Mr F's complaint.

I'd like to explain why in a little more detail. 247 needed to make sure that it didn't lend irresponsibly. In practice, what this means is that 247 needed to carry out proportionate checks to be able to understand whether Mr F could make his payments in a sustainable manner before agreeing to lend to him. And if the checks 247 carried out weren't sufficient, I then need to consider what reasonable and proportionate checks are likely to have shown.

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 that information – 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, the amount lent was high, or the information the lender had – such as a significantly impaired credit history – suggested the lender needed to know more about a prospective borrower's ability to repay.

I've thought about what Mr F and 247 have said.

247 have said they carried out a credit check when Mr F applied for credit, but they're unable to provide details of what those checks showed. Therefore, I'm unable to say checks were proportionate because I can't see what they would've seen at the time. I can see they took information from Mr F at application and also a copy of his contract of employment showing he was earning around £1,600 per month.

At the minimum I would've expected 247 to complete an income and expenditure to work out if Mr F had the disposable income available to repay the agreement in a sustainable way. The easiest way for us to do that now is to gather Mr F's current account statements and review his committed monthly expenditure to other creditors, his rent/mortgage and other bills.

We've asked Mr F for statements – he's provided us some current account statements. But these only show part of a picture. It's clear Mr F doesn't use this account as his main account, as he's making large transfers in from other accounts in his name. For example, between 1 November 2021 and 30 November 2021 Mr F is only receiving £580 from DWP into his account, but in total, the account receives £3,700.

So while I appreciate Mr F said he was only earning £600 and spending more than £87 per month at the time, the statements we do have paint a different picture, and he's not providing additional statements to help us piece together his actual income and expenditure. 247 did get a contract of employment from the time that showed he was earning around £1,600 per month, and 247 verified this. So while I can be sure of his income, I can't rebuild his expenditure, and without this the agreement appears affordable based on the statements we do have.

With a lack of evidence from both 247 and Mr F, I'm unable to say that 247 treated Mr F unfairly when lending to him.

It's also clear to see that 247 treated Mr F with forbearance, by implementing payment arrangements and agreements to clear less than the full amount of arrears, so I can't say they've done anything wrong here either.

In reaching my conclusions, I've also considered whether the lending relationship between 247 and Mr F might have been unfair to Mr F under section 140A of the Consumer Credit Act 1974 ("CCA").

However, for the reasons I've explained, I don't think 247 irresponsibly lent to Mr F or otherwise treated him unfairly in relation to this matter. And I haven't seen anything to suggest that section 140A CCA or anything else would, given the facts of this complaint, lead to a different outcome here.

Overall and having carefully considered everything, while I think that 247 ought to have applied a bit more scrutiny to the information it obtained before entering into this agreement with Mr F, I'm satisfied that 247 doing this won't have prevented it from providing these funds or entering into this agreement with him. So I'm not upholding this complaint.

I appreciate that this will be very disappointing for Mr F. But I hope he'll understand the reasons for my decision.

My final decision

It's my final decision that I do not uphold this complaint against 247 Money Group Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 1 October 2025.

Meg Raymond
Ombudsman