

The complaint

Miss B complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk (MoneyBoat) lent to her irresponsibly when they provided her with two personal loans.

What happened

In 2024, Miss B was provided with two short-term loans from MoneyBoat.

I've included a table below showing more detail around the lending agreements.

Loan date	Amount borrowed	Term	Monthly instalments
13/02/2021	£500	6 months	£140.67
25/10/2021	£1,100	6 months	£339.72

In 2025, Miss B complained. In summary, she said MoneyBoat had irresponsibly lent to her and that sufficient checks – to ensure her affordability status – hadn't been undertaken.

MoneyBoat didn't uphold the complaint. They said, in summary, that they had carried out checks proportionate to the amount being lent; those checks hadn't revealed any concerns, and on that basis, the lending had been agreed.

Miss B disagreed; she still thought MoneyBoat were wrong to have lent to her. So, she referred her complaint to this Service for independent review.

An Investigator here considered Miss B's complaint but didn't recommend it be upheld. In summary, he said:

- The checks carried out by MoneyBoat were proportionate in the circumstances.
- The information gathered as a result of the checks, wouldn't have given MoneyBoat any cause for concern, and there was nothing that would have suggested to MoneyBoat that Miss B was struggling financially, and/or wouldn't be able to afford the loan repayments.
- Any financial struggles, which did materialise for Miss B, wouldn't have been apparent to MoneyBoat at the time they provided Miss B with the credit.
- Overall, with that in mind, MoneyBoat hadn't acted unfairly or unreasonably in providing the above loans to Miss B.

Miss B disagreed. She maintained she'd been irresponsibly lent to and felt the figures MoneyBoat had used when calculating her expenditure were unrealistic. She said that had MoneyBoat carried out further checks, they would've realised the lending would've been unaffordable for her.

So, as no agreement has been reached by the parties, Miss B's complaint has now 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 now reviewed matters, and while this will no doubt disappoint Miss B, I agree with the findings of our Investigator and for broadly the same reasons. I'll explain why.

The rules and regulations in place at the time Miss B was provided with the loans, required MoneyBoat to carry out a reasonable and proportionate assessment. That's to determine whether Miss B could afford to repay what she owed in a sustainable manner. This practice is sometimes referred to as an 'affordability assessment' or 'affordability check'.

Checks also had to be 'proportionate' to the specific circumstances of the lending. In general, what constitutes a proportionate affordability check will be dependent on a number of factors including – but not limited to – the particular circumstances of the consumer (e.g: their financial history, current situation and outlook, any indications of vulnerability or financial difficulty) and the amount/type/cost of credit they were seeking.

Our website also sets out what we typically think about when deciding whether checks were proportionate. Generally speaking, it might be reasonable for a lender's checks to be less thorough – in terms of how much information they gather and how they verify that information – in the early stages of a lending relationship. But we might think they need to do more if, for example, the income was low, or the amount lent was high. 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.

The checks also had to be borrower focussed; that is, relevant to Miss B. So, MoneyBoat had to think about whether repaying the credit sustainably would cause her difficulties, or other adverse consequences. In other words, MoneyBoat had to consider the impact of any repayments on Miss B.

I've kept all of this in mind when thinking about whether MoneyBoat did what they needed to before agreeing to lend to Miss B.

Here, before agreeing to lend, MoneyBoat checked data recorded with Credit Reference Agencies ("CRAs"); and they relied upon information provided by Miss B at the time of her application. I've been provided with the results of MoneyBoat's checks and, in my view, the data they gathered didn't suggest that there was any real cause for concern.

The information MoneyBoat obtained from CRAs didn't show any recent defaults or County Court Judgments ("CCJs"), nor was Miss B subject to an Individual Voluntary Arrangement ("IVA"), and her existing credit repayments were generally well managed, with just one payment showing as having fallen behind on an existing credit item in the last 12 months, which was quickly brought back up to date.

MoneyBoat also increased the monthly credit commitments they took into account when assessing affordability, based on the fact that their credit search identified a higher level of commitments that Miss B had disclosed. Having done so, Miss B was still showing as having a disposable income of around £550.

Miss B has argued that expenditure she disclosed in terms of food and rent costs, should have prompted MoneyBoat to carry out more detailed checks, and she feels they were an unrealistic sum to use.

Why I take Miss B's point here, and the sums were low, equally, when applying, she had told MoneyBoat her commitments were low as she was living with parents at the time, and it wouldn't be unusual for someone in these circumstances not to be paying out a great deal towards priority bills. So, I don't think it was unreasonable for MoneyBoat to rely on the information provided when carrying out their assessment of Miss B's disposable income. So, on balance, I'm satisfied MoneyBoat's checks went far enough, and that it was reasonable for them to conclude that loan 1 was affordable for Miss B based on the result of their proportionate checks.

Miss B's second loan was taken out in October 2021, over seven months after her first loan was both taken out and paid off – as Miss B settles loan one early. So, loan two didn't form part of a chain of repeated lending with MoneyBoat that you might see in different circumstances.

At the time of the second loan application, Miss B's circumstances had changed very little. She was still earning around the same monthly income and had declared similar living costs. I've also noted that there was a decrease in the amount of outstanding credit commitments Miss B had at this time, with her overall outstanding credit balances having reduced by around £4,000.

Miss B was still only showing as having one missed payment on existing credit items within the last 12 months, and there were still no defaults, CCJ's or other adverse information present on her credit file. Her disposable monthly income was still showing in the region of around £550.

While I accept that there was a reasonable increase in the amount being borrowed, the monthly instalments due under that loan of £339, still appeared to be comfortably within the disposable income Miss B had available, and appeared affordable. So, given the above, for similar reasons, I'm satisfied MoneyBoat's checks didn't need to go further, and I think it was reasonable for them to rely on the results of those proportionate checks, which showed the credit to be affordable for Miss B.

So, while I appreciate this may come as a disappointment to Miss B, and I know it won't be the outcome she's hoping for, for the reasons set out above, I won't be asking MoneyBoat to do anything further.

Finally, I've also considered whether the relationship might have been unfair under Section 140A (S140A) of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think MoneyBoat lent irresponsibly to Miss B, or otherwise treated her unfairly. I haven't seen anything to suggest that S140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

My final decision is that I do not uphold Miss B's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 12 January 2026.

Brad McIlquham
Ombudsman

