

## The complaint

Miss F complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk (“MoneyBoat”) provided her with loans without properly checking her finances.

## What happened

Miss F was granted two loans, and a summary of her borrowing can be found below.

loan number	loan amount	agreement date	repayment date	number of monthly instalments	largest repayment per loan
1	£300.00	28/01/2025	05/02/2025	3	£143.12
2	£600.00	05/02/2025	outstanding	6	£183.44

MoneyBoat considered the complaint and concluded it had made a reasonable decision to lend and so didn’t uphold the complaint. Unhappy with this response, Miss F referred the complaint to the Financial Ombudsman.

The complaint was considered by an Investigator who didn’t uphold it because they concluded the checks MoneyBoat made were reasonable and proportionate. Miss F disagreed with the Investigator’s findings, I’ve summarised her response below.

- MoneyBoat failed in its ‘duty of care’ because she was unemployed at the time, a single mother and she was struggling with mental health difficulties.
- MoneyBoat didn’t identify her vulnerabilities.
- At the time Miss F was in an Individual Voluntary Arrangement (IVA).
- The information MoneyBoat used was not a true reflection of her financial position.

As no agreement could 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.

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 Miss F 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 have taken into account a number of different things, such as how much was being lent, the size of the repayments, and Miss F’s income and expenditure.

With this in mind, 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 Miss F. These factors include:

- Miss F 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);
- Miss F having a large number of 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);
- Miss F 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 Miss F. The investigator didn't consider this applied to Miss F's complaint as there were only two loans and I would agree.

MoneyBoat was required to establish whether Miss F could sustainably repay the loans – 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 Miss F was able to repay her loans sustainably. But it doesn't automatically follow that this is the case.

I've considered all the arguments, evidence and information provided in this context, and thought about what this means for Miss F's complaint.

I'm sorry to hear about Miss F's mental health problems and how this lending has impacted her wider financial position. I appreciate that she has disclosed this to us because this couldn't have been easy. I do hope Miss F is receiving the help and support that she may need. I won't do into any further detail in order to protect Miss F's privacy.

Having looked at the system notes provided by MoneyBoat, as well as the letter of complaint, I can't see that it was aware of Miss F's health problems at the time and so couldn't take it into account when assessing the loan applications.

Turning to the lending decisions, MoneyBoat carried out the same sort of checks before it granted these loans. It asked Miss F to declare her income, and this was noted as being around £4,000 per month for both loans.

MoneyBoat didn't just rely on what it was told, it also took steps to cross check this declaration with a widely used industry tool from a credit reference agency. The results of this check indicated what Miss F declared was likely accurate. For the first two loans the check into Miss F's income was reasonable.

Miss F says at the time she wasn't working but this isn't reflected in the information she provided to MoneyBoat nor the results of the checks it carried out. As there was nothing to suggest what Miss F declared was inaccurate – MoneyBoat had no reason to doubt the results of its checks.

MoneyBoat also asked for details of Miss F's living costs which she declared to be £2,500 per month for loan 1 and £2,220 per month for loan 2. It then checked this information using the results of Miss F's credit search (which I come on to below) as well as considering her living costs against averages found in the "*Common Financial Statement*".

Having carried out these further checks, it increased Miss F's monthly outgoings by £239 per month for loan 1 only. But even with the increased outgoings, MoneyBoat was reasonably entitled to believe Miss F had sufficient disposable income to afford these repayments.

MoneyBoat also carried out a credit search before each loan, and I've considered the results it received in order to see whether these indicated that Miss F was currently experiencing any difficulties that may have prompted MoneyBoat to either decline her applications or request further information before advancing the loans.

Miss F says at the time of lending she was subject to an IVA, no further information about this has been provided but I've checked the IVA register and Miss F's details aren't contained within this. What this means is that Miss F isn't currently subject to an IVA. She may well have been at an earlier time, but it's been closed and or settled more than three months ago. So, Miss F not currently being on the IVA register isn't a sure indicator she wasn't subject to an IVA when these loans were granted.

But, in saying that MoneyBoat's credit search results showed no IVA, other types of insolvency or County Court Judgements. Indeed, the credit searches didn't show any defaulted accounts either. All of which would've suggested to MoneyBoat that Miss F wasn't likely having financial difficulties. So, it was more than fair and reasonable for it to have relied on what it was told without seeking further confirmation directly from Miss F.

For loan one, Miss F had a number of credit cards that she was paying – she owed around £2,900 all of which were up to date and the accounts were well within their credit limit. There had been a missed payment on one account seven months before the first loan but given how quickly that had been correctly and the lack of any other significant adverse payment information connected with these accounts I don't think this would've led MoneyBoat to have investigated this any further or have prompted it to undertake further checks.

And the information Miss F had declared about her monthly credit commitments was broadly in line with the information MoneyBoat discovered, so there wouldn't have been a reason for MoneyBoat to have questioned the results it received or felt that it needed to probe Miss F's finances any further.

I've reached the same conclusions for loan 2 for broadly the same reasons given the credit check results for the second loan are basically the same which isn't surprising given the close proximity of the two applications.

Overall, the credit check results for both loans wouldn't have led MoneyBoat to have reviewed Miss F's application in any more detail than it did. I consider the checks for both loans to be proportionate and to have demonstrated to MoneyBoat the lending was affordable.

I fully accept that MoneyBoat's checks may not have identified all of Miss F's expenditure or indeed may not have been a true reflection of her actual financial position and I've said this bearing in mind Miss F has said at the time she wasn't working. But that isn't the test I have to apply when considering these sorts of complaints.

I'm satisfied that given what it was told Miss F and what the checks showed, considering her income, outgoings and the monthly repayments – these were proportionate. As such, MoneyBoat was entitled to rely on the results and it fairly, granted the lending.

An outstanding balance still remains due, and I would remind MoneyBoat of its obligation to treat Miss F fairly and with forbearance – bearing in mind what it has been told about Miss F's vulnerabilities.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think

MoneyBoat lent irresponsibly to Miss F or otherwise treated her 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 I've outlined above, I am not upholding Miss F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 5 February 2026.

Robert Walker  
**Ombudsman**