

The complaint

Mr J complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk irresponsibly lent to him.

What happened

MoneyBoat lent Mr J one loan in December 2022, the loan was for £500 to be repaid in three monthly instalments of around £240 each. The loan is still active and hasn't been fully repaid.

When Mr J complained to MoneyBoat, it didn't uphold his complaint, it said it carried out reasonable checks and those checks showed he was left with sufficient disposable income after repaying the loan.

Unhappy with MoneyBoat's response, Mr J referred his complaint to the Financial Ombudsman Service where it was looked at by one of our investigators. Our investigator thought MoneyBoat did enough before lending and its checks showed Mr J could afford the loan. Our investigator didn't recommend that Mr J's complaint should be upheld.

Mr J disagreed, among other things, he said the fact that he was left with £900 disposable income after MoneyBoat's checks should have raised concerns about why someone with so much disposable income was applying for £500 credit. Mr J also said he was vulnerable and dealing with mental health challenges at the time, and MoneyBoat shouldn't have lent in the circumstances. Mr J says MoneyBoat should have taken its checks further and had it done that it would have seen he couldn't afford the loan.

As the complaint hasn't been resolved, it has been passed to me, an ombudsman 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 unaffordable/irresponsible lending - including all of the relevant rules, guidance and good industry practice - on our website.

MoneyBoat is aware of its obligations as a lender as explained in the regulator's handbook, so I don't intend to go into all the details about its duty. In summary, MoneyBoat is required to take reasonable steps to ensure that it didn't lend irresponsibly. There isn't a prescriptive level of checks to ensure responsible lending and in the early stages of a lending relationship, I think less thorough checks might be reasonable and proportionate.

But certain factors might point to the fact that MoneyBoat should fairly and reasonably have done more to establish that any lending was sustainable for the consumer. These factors include:

- the *lower* a consumer's 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 *higher* the amount due to be repaid (reflecting that it could be more difficult to meet a higher repayment from a particular level of income);
- the *greater* the number and frequency of loans, and the longer the period of time during which a customer has been given loans (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable).

MoneyBoat's checks

Before agreeing to lend, MoneyBoat asked Mr J about his monthly income and living expenses. Mr J declared an income of £1,750 and living costs of £200. Mr J told MoneyBoat he lived with his parents at the time. MoneyBoat also searched Mr J's credit file.

MoneyBoat thought Mr J's declared living costs were low, so it increased this by £650, more than treble what Mr J declared. MoneyBoat has provided the results of its credit search, there is no adverse information recorded on Mr J's credit file and he had quite low credit utilisation, in short there was nothing within the results of that search that showed Mr J was in financial stress. So, there was nothing within these results that should have prompted further checks.

MoneyBoat isn't required to request and consider bank statements, even though this would be reasonable in certain circumstances, I don't think it needed to do so here. This was Mr J's first loan with MoneyBoat, it was a short-term agreement, and the repayment amount was small compared to his declared income. There was no indication that Mr J was financially struggling from his credit file results, and he was left with sufficient disposable income after MoneyBoat checks. MoneyBoat didn't just take his declared expenses but increased this significantly.

I think MoneyBoat's checks went far enough and those checks showed Mr J could afford his repayments when they fell due.

Mr J's disagreement with the investigator's view

Mr J says MoneyBoat has assumed that because he lived with his parents his expenses were lower but that wasn't necessarily the case. I note that MoneyBoat asked Mr J about his living costs and he declared £200, if his living costs were higher than this, I'd have expected Mr J to declare his actual living costs. In any event, MoneyBoat didn't lend based on what Mr J declared but increased it more than three times and even with that increase, Mr J was left with sufficient disposable income. MoneyBoat acted reasonably in this regard.

Mr J has said he was vulnerable and he has shared sensitive information which I was sorry to read about. I hope Mr J gets the help he needs. I'm mindful he didn't tell MoneyBoat about his struggles at the time and there was nothing within its search that could have put it on notice about his vulnerability and struggles. MoneyBoat acted reasonably by treating Mr J as someone with mental capacity to make his financial decisions, in the absence of information to the contrary. It wouldn't have been fair for MoneyBoat to assume Mr J didn't have the mental capacity to make his own financial decisions without being told this or receiving information that showed this to be the case.

MoneyBoat was unaware of Mr J's vulnerability and there wasn't anything within its reasonable search that I think should have prompted further checks or declined Mr J's application. And while Mr J may have been struggling financially, this wasn't something he told MoneyBoat nor was it revealed through the reasonable checks MoneyBoat carried out.

In relation to Mr J's disposable income, consumers choose different ways to organise their finances and just because the checks left with him with what he seems to consider a large disposable income doesn't automatically indicate that further checks ought to be completed, particularly as there were no concerns within his credit file.

Taking all the circumstances of this lending into account, MoneyBoat hasn't treated Mr J unfairly by providing the loan, so I won't be asking it to take any steps to put things right for him on this occasion.

I appreciate my findings will likely disappoint Mr J, but I hope my explanation helps him understand why I've reached these conclusions.

Did MoneyBoat act unfairly or unreasonably to Mr J in some other way?

I've also considered whether MoneyBoat acted unfairly or unreasonably in some other way, including whether its relationship with Mr J might have been viewed as unfair by a court under s.140A Consumer Credit Act 1974.

However, for the reasons I've already given, I don't think MoneyBoat lent irresponsibly to Mr J 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 do not uphold Mr J's complaint or make any awards against Evergreen Finance London Limited trading as MoneyBoat.co.uk

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 12 January 2026.

Oyetola Oduola
Ombudsman