

## **The complaint**

Miss C has complained that Bamboo Limited were irresponsible in supplying her with a loan in April 2023.

### **What happened**

Bamboo provided Miss C with a loan for £2,000 in April 2023, repayable over 24 months, with monthly instalments of around £140 per month.

Miss C says the lending decisions were irresponsible. She says the checks carried out were insufficient and a more thorough check would have revealed that the required repayments were unaffordable.

Bamboo reviewed Miss C's complaint and didn't uphold it. They were satisfied that appropriate checks were carried out and there was no indication that the repayments were unaffordable.

An investigator then reviewed the merits of Miss C's complaint, but didn't think that Bamboo had done anything wrong.

Bamboo didn't dispute this position, but Miss C did. In summary she felt Bamboo's calculations for affordability weren't right and they should have realised that providing these loans, in addition to existing debt, wouldn't be affordable.

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, I'm not upholding this complaint. I appreciate this will disappoint Miss C, so I'll explain why.

The rules and regulations in place at the time Bamboo provided Miss C with the loan required them to carry out a reasonable and proportionate assessment of whether she could afford to repay what she owed in a sustainable manner. This is sometimes referred to as an 'affordability assessment' or 'affordability check'.

The checks had to be 'borrower' focused. This means Bamboo had to think about whether repaying the credit would cause difficulties or adverse consequences for Miss C. In other words, it wasn't enough for Bamboo to consider the likelihood of them getting the funds back – they had to consider the impact of any repayments on Miss C.

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. I've kept all of this in mind when thinking about whether Bamboo did what they needed to before providing the loan to Miss C.

Bamboo used information declared by Miss C in her application and used data supplied by a credit reference agency (CRA) to help them see whether the loan was affordable for Miss C.

In her application Miss C declared a monthly net income of £2,321 which Bamboo verified through the CRA. Miss C also declared her monthly commitments for housing, cost of living and servicing existing debt, which totalled around £1,400.

Bamboo used additional information from the CRA and data from the Office of National Statistics to estimate Miss C's non-discretionary expenditure. This resulted in a higher monthly figure than Miss C had declared, so when assessing affordability, Bamboo used their higher figure.

Including everything, Bamboo estimated that after covering all essential expenditure and the monthly repayments for this loan, Miss C would have around £300 disposable income remaining each month.

Miss C's credit file showed existing debt of around £3,200. There had been some late payments during the previous 12 months, but all accounts were up to date at the point of application.

There were no defaults recorded and aside from the late payments, existing debt appeared to be generally well managed, with regular payments above the minimum required and no cash withdrawals from credit cards.

Bamboo were comfortable with the results of their assessment and didn't feel that more thorough checks were required.

Miss C has highlighted that she had taken out another loan just before applying for this one, which Bamboo should have taken into account and performed further checks.

While I understand her point of view, that particular loan wasn't showing in the CRA information that Bamboo had obtained, so I wouldn't be able to hold them accountable for that. I can also see that Bamboo used a higher figure for repaying existing debt, than the one that Miss C declared in her application.

Having considered everything, the information available did suggest that Miss C would have sufficient disposable income to afford the repayments.

It would therefore appear reasonable for Bamboo to have had no concerns from this perspective, so I am not persuaded that the lending was irresponsible.

In her correspondence with this service, Miss C has been very open about her financial difficulties and health issues. I'd like to thank her for her openness and wish her the best for the future.

In addition to this complaint about the lending decision, Miss C also commented that she is unhappy with Bamboo's support, stating that she felt they didn't offer any meaningful help.

Whilst I haven't investigated that as it doesn't form part of this complaint, I'd like to remind Bamboo of its obligation to exercise forbearance as Miss C is experiencing financial difficulty and I would also encourage Miss C to keep in regular contact with Bamboo about any difficulties she's facing.

In reaching my conclusions, I've also considered whether the lending relationship between Miss C and Bamboo might have been unfair to Miss C under Section 140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that Bamboo did not lend irresponsibly when providing Miss C with the loan, or otherwise treat her unfairly in relation to this matter. And I haven't seen anything to suggest that Section 140A of the CCA would, given the facts of this complaint, lead to a different outcome here.

### **My final decision**

As outlined above, it's my final decision that I don't uphold this complaint against Bamboo Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 2 March 2026.

David Barker  
**Ombudsman**