

## **Complaint**

Miss S has complained about a loan Admiral Financial Services Limited (trading as “Admiral Money”) provided to her. She says that the loan was unaffordable given her circumstances at the time.

## **Background**

Admiral Money provided Miss S with a loan for £9,000.00 in November 2023. It had an APR of 11.1% and a 48-month term. This meant that the total amount to be repaid of £11,112.96, which included interest, fees and other charges of £2,112.96 was due to be repaid in 48 monthly repayments of £231.52.

One of our investigators reviewed what Miss S and Admiral Money had told us. And he thought that Admiral Money hadn’t acted unfairly or lent irresponsibly. So he didn’t uphold Miss S’ complaint.

Miss S disagreed and asked for an ombudsman to look at her complaint.

## **My findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

We’ve explained how we handle complaints about unaffordable and irresponsible lending on our website. And I’ve used this approach to help me decide Miss S’ complaint.

Having carefully considered everything, I’m not upholding Miss S’ complaint. I’ll explain why in a little more detail.

Admiral Money needed to take reasonable steps to ensure that it didn’t lend irresponsibly. In practice, what this means is that Admiral Money needed to carry out proportionate checks to be able to understand whether Miss S could afford to make her repayments before providing this loan.

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 it – 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 or the amount lent was high. And 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 provide loans to a customer irresponsibly.

Admiral Money says it approved Miss S’ application after she provided details of her monthly income which it cross-checked against information from credit reference agencies on the

amount of funds going into her main bank account each month. It says it also carried out a credit search which showed Miss S' existing commitments were relatively well maintained at the time.

In Admiral Money's view all of the information it gathered showed that Miss S could afford to make the repayments she was committing to.

On the other hand, Miss S has said she already had significant debts and couldn't afford to take on any further borrowing.

I've carefully thought about what Miss S and Admiral Money have said.

As Admiral Money asked Miss S about her income and expenditure and also carried out a credit check, it's clear that Admiral Money did obtain a reasonable amount of information before it decided to proceed with Miss S' application. Having looked at the credit check, there wasn't anything in the credit checks to indicate that Miss S had any significant adverse information – such as defaults or county court judgments (“CCJ”) – recorded against her and there wasn't anything to indicate that she was struggling to manage the debt she had.

I appreciate that Miss S has referred to having two existing personal loans as well as student loans. I've thought about what Miss S has said. However, student loans aren't reported to credit reference agencies. So I don't think that Admiral Money could reasonably be expected to have known about Miss S' student loans. While it's fair to say that personal loans are usually reported to credit reference agencies, I've been provided with the output from credit checks that Admiral Money carried out. And neither of these checks showed the loans that Miss S has referred to.

I don't know why Miss S' other loans weren't reported. It could be that the lender Miss S used didn't report to credit reference agencies, or it could be that Miss S' details weren't properly reconciled by the credit reference agencies. But whatever the reason, Admiral Money was allowed to rely on the results of its credit searches and as neither of these searches showed the loans Miss S has referred to, I can't say that it ought to have factored them into its affordability assessment.

As this is the case, while I sympathise with Miss S' situation and I'm sorry to hear that she's found making her repayments difficult, I don't think that Admiral Money did anything wrong when providing this loan to her. It carried out proportionate checks – particularly as it did ask her about her regular living costs - and reasonably relied on what it found out which suggested the repayments were affordable.

In reaching my conclusions, I've also considered whether the lending relationship between Admiral Money and Miss S might have been unfair to Miss S under s140A of the Consumer Credit Act 1974 (“CCA”).

However, for the reasons I've explained, I don't think Admiral Money irresponsibly lent to Miss S or otherwise treated her unfairly in relation to this matter. And I haven't seen anything to suggest that s140A CCA or anything else would, given the facts of this complaint, lead to a different outcome here.

So overall and having considered everything, I'm satisfied that Admiral Money didn't treat Miss S unfairly or unreasonably when lending to her. And I'm not upholding Miss S' complaint. I appreciate this is likely to be very disappointing for Miss S. But I hope she'll understand the reasons for my decision and that she'll at least feel her concerns have been listened to.

Although I'm not upholding Miss S' complaint, I would remind Admiral Money of its obligation to exercise forbearance and due consideration given what Miss S has said about her financial situation during the course of this complaint.

I would also encourage Miss S to get in contact with and co-operate with any steps that may be needed to review what, if anything, she might be able to repay going forward should she be having difficulty. Miss S may be able to complain to us – subject to any jurisdiction concerns and Admiral Money still owning any debt – should she be unhappy with Admiral Money's actions in relation to exercising forbearance on the remaining balance.

### **My final decision**

For the reasons I've explained, I'm not upholding Miss S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 3 February 2026.

Jeshen Narayanan  
**Ombudsman**