

The complaint

Mrs A complains that Intelligent Lending Limited trading as Ocean recommended that she take out a joint secured loan with her husband – despite knowing that the purpose of the loan was to consolidate her husband’s debts and that she was being forced into taking the loan.

What happened

In August 2023, Ocean recommended that Mrs A and her now ex-husband should take out a second charge secured loan for over £20,000. The purpose of the loan was primarily to repay unsecured debts in Mrs A’s ex-husband’s name – but it did repay a small overdraft in Mrs A’s name.

The circumstances here aren’t in dispute – so I won’t repeat them in detail. But after the application was submitted, Mrs A contacted Ocean. She told it that she wanted to cancel the application, that she wasn’t getting any benefit from the loan, she’d prefer it if the loan was in her husband’s sole name and she felt pressured to take the loan. Mrs A’s ex-husband then told Ocean that both he and Mrs A wanted to proceed with the loan. Ocean said it could not proceed unless it spoke to Mrs A – and she told Ocean she did want to go ahead, despite feeling pressured to do so. The loan was taken out.

Mrs A said she later separated from her husband and has been left to support the loan repayments by herself. She said that Ocean should have known she was being coerced to take out the loan and should not have let it proceed.

The investigator thought that complaint should be upheld. She said that Ocean did not treat Mrs A fairly. She said it ought to have had doubts about whether Mrs A was genuinely and freely consenting to the loan and have put additional checks and safeguards in place.

The investigator said that she did not think that Ocean should repay the loan. She said Mrs A had signed the loan agreement. And in the circumstances it would not be fair for her ex-husband to receive a windfall if the loan was repaid. She said the loan would be taken into account in the division of assets and liabilities in divorce proceedings.

The investigator said that Ocean should pay Mrs A £1,000 to reflect the distress and inconvenience this matter has caused to her.

Ocean accepted what the investigator said. Mrs A did not. She responded to make a number of points, including:

- £1,000 was insufficient bearing in mind she was left maintaining payments to the loan of £500 a month.
- It was unfair that she’d been left repaying the loan when it should never have been sold to her in the first place.

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.

I have read everything that Mrs A has said and provided as part of this complaint. I haven't gone into detail about what she has told us. But I thank her for her honesty and bravery in telling us about what she has been through. I can't imagine how hard that must have been for her.

I am afraid though that after reviewing everything I agree with the conclusions reached by the investigator. Ocean did not treat Mrs A fairly when it arranged this loan. It should have been on notice that there was significant risk of harm to Mrs A in taking this loan. It should have done more to understand that and to put appropriate safeguards in place – for example requiring Mrs A to obtain independent legal advice. I do not consider its process as it has set out was adequate in the individual circumstances of this case.

It is left for me to decide what is a fair way to put things right. Ocean is not the lender. So I can't, for example, tell it to change the terms of the loan, not hold Mrs A liable for the loan or not enforce its security. I understand that Mrs A has raised a separate complaint about the lender.

I could ask Ocean to repay the mortgage. But as the investigator said that doesn't seem like a fair outcome because the loan remains in joint names and repaying it would also benefit Mrs A's ex-husband. I also agree that the divorce proceedings would be the best place to decide liability for the loan.

That leaves a payment for the distress and inconvenience caused to Mrs A by this matter. Mrs A is a victim-survivor of domestic and economic abuse. Ocean is not responsible for that. But its acts and omissions have added to considerably to the very difficult circumstances Mrs A was already experiencing. She's been left maintaining a loan she's had very little benefit from and she will continue to make those payments. She's told us about the significant impact that has had on her finances and the hardship it has caused.

Our guidelines say that we'd make an award of around £1,000 where a mistake has caused substantial distress, upset and worry with the impact felt over a year. I've thought very carefully about this. In all the circumstances I consider that is a fair amount to reflect the impact of Ocean's involvement in this matter on Mrs A.

My final decision

My final decision is that Intelligent Lending Limited trading as Ocean should pay Mrs A £1,000.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 14 November 2025.

Ken Rose
Ombudsman