

The complaint

Mr S has complained that SECURE TRUST BANK PUBLIC LIMITED COMPANY trading as Moneyway (Moneyway) unfairly provided him with credit for a vehicle.

What happened

In February 2022, Mr S entered into a finance agreement with Moneyway for the purchase of a car as shown below. Mr S voluntarily terminated the agreement in March 2023.

Date	Amount of credit	Term	Monthly payment	Total repayable
February 2022	£4,995.00	36 months	£211.59	£7,627.24

In January 2025, Mr S complained to Moneyway with the help of a professional representative. In the complaint, Mr S said he didn't think Moneyway had lent to him responsibly. He felt it had failed to undertake a reasonable assessment of his creditworthiness at the time of the lending. He's said had Moneyway completed the appropriate checks it would have found the lending was unsuitable for him and that this led to an unfair relationship.

Moneyway looked into Mr S' complaint and issued a final response letter explaining it believed it had acted fairly when completing its checks. It said it had confirmed the agreement was affordable by checking Mr S' income, and checking the information the credit reference agencies held about him. It says it accounted for his expenditure using a combination of the information it received from the credit reference agencies and data from the Office for National Statistics (ONS). Moneyway has said based on the information it found, it believes its decision to lend was fair.

Mr S didn't accept Moneyway's response, so he referred his complaint to our service with the help of his representative. One of our investigators looked into it, and based on the evidence available, said she didn't think Moneyway's decision to lend was unfair.

Mr S' and his representatives didn't accept what our investigator said and asked for a final decision on the case. So, 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've reached the same outcome as the investigator for broadly the same reasons.

I think there are key questions I need to consider in order to decide what is fair and reasonable in this case:

- Did Moneyway carry out reasonable and proportionate checks to satisfy itself that Mr S was able to sustainably repay the credit?
- If not, what would reasonable and proportionate checks have shown at the time?
- Did Moneyway make a fair lending decision?
- Did Moneyway act unfairly or unreasonably towards Mr S in some other way?

Moneyway had to carry out reasonable and proportionate checks to satisfy itself that Mr S would be able to repay the credit sustainably. It needed to assess the likelihood of Mr S being able to repay the credit, as well as considering the impact of the repayments on him.

There is no set list of checks that it had to do, but it could take into account several different things such as the amount and length of the credit, the amount of the monthly repayments, the cost of the credit, and the customers circumstances.

In its submission to this service, Moneyway has explained that it used the income figure Mr S provided of £2,000. It's said that the credit reference agencies confirmed that Mr S' income was more than his expenditure. It also carried out a credit search to get an understanding of Mr S' situation before it decided to lend. From this it could see that aside from one late payment Mr S had maintained his accounts well and wasn't over indebted. It was also able to understand how much Mr S was spending on other credit each month including other car finance agreements, credit cards, loans and other forms of debt. Moneyway says it used ONS data alongside this to estimate Mr S' other essential commitments. Based on this information, it calculated that Mr S' regular essential costs were around £1,350 a month including payments to the new agreement. This left him with a disposable income of around £650 a month which is reasonable.

Moneyway applied estimates for Mr S' regular essential living expenses using nationally recognised statistics based on national averages. This is an approach it's allowed to take under the relevant lending rules, and I don't think this was unreasonable or that there was anything to suggest his expenditure needed further investigation.

However, given the recent late payment and that the income check completed by Moneyway didn't clearly confirm a salary of £2,000 a month, I think it would have been reasonable to get a more accurate picture of his income.

CONC 5.2A.16 (3) sets out that for the purpose of considering a customer's income it's not generally sufficient to rely solely on a statement of income made by the customer without independent evidence.

Given the circumstances, I think it would have been reasonable for Moneyway to verify Mr S' income rather than just rely on his account turnover. So, I've gone on to consider what a reasonable and proportionate income check would have shown.

There are a number of ways it could have done this, but for the avoidance of doubt, I'm not making a finding here that Moneyway needed to see Mr S' statements in order to complete its own income assessment. Rather I think it needed to accurately establish Mr R's regular income more accurately. That said in the absence of any other evidence, I think it's reasonable to rely on bank statements to establish what Moneyway would likely have found had it asked Mr S more questions about his income.

Mr S was able to provide us with statements for his main account for the months before the lending. Having considered these it's clear that Mr S was earning about £150 less than he had declared. Taking this into consideration this would have reduced his disposable income to around £500 a month, but this is still a reasonable sum. So, even if Moneyway had gained

a more accurate picture of Mr S' income, I think it would have reasonably concluded that he could sustainably afford the lending.

Mr S has argued that at the time of the lending he was vulnerable and already had another car finance agreement. He's said he didn't have a deposit for the car and that his employment was unstable. All of which meant it wasn't reasonable to lend to him. I'm sorry to hear of Mr S's health problems and the difficulties he faced in his personal circumstances. I appreciate how difficult things must have been for Mr S. But, looking at the information available to me, I have no evidence that Moneyway should have been aware of these vulnerabilities at the time of the lending. There is also no requirement for a customer to have a certain level of deposit. Having no deposit for a loan of this type isn't uncommon and isn't necessarily a sign of financial difficulties or that the agreement wouldn't be sustainable, particularly where there is other evidence suggesting it would be affordable. Similarly, there is nothing in the rules that prevents a business from lending where a customer already has an agreement of the same or similar type, if the checks point to the lending being affordable. Looking at the evidence, it appears Mr S had been in work with the same employer for over a year prior to the lending, and I can't see Mr S made Moneyway aware he was employed on a short or fixed term contract. So, I don't think it would have been reasonable for Moneyway to suggest that his employment was unstable.

Overall, I think it would have been reasonable for Moneyway to accurately establish Mr S income. But based on the information available about Mr S' income at the time, I don't think Moneyway could have fairly concluded the lending was unaffordable. So, I'm not persuaded its decision to approve the lending was unreasonable.

I can see that Mr S maintained the agreement until he voluntarily terminated it after around a year. I can't see that Mr S raised any concerns with Moneyway at this point about unaffordability or his health concerns. So, I can't see anything to suggest Moneyway treated Mr S unfairly throughout the life of the agreement.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. But even if I could or should consider the case this way, I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here. I'm very sorry to disappoint Mr S, but for the reasons set out, I don't find that Mr S' relationship with Moneyway was unfair, and I can't conclude Moneyway treated him unfairly in any other way based on what I've seen.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 December 2025.

Charlotte Roberts
Ombudsman