

The complaint

Western Circle Ltd trading as Cashfloat ('Cashfloat') provided Mr H with a loan in August 2024. The loan was a short-term loan of £300 to be repaid over three months. The loan ran to term. Mr H says the credit was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my decision.

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've read and considered the whole file, but I'll confine my comments to what I think is relevant. If I don't comment on any specific point, it's not because I've failed to consider it but because I don't think I need to comment on it in order to reach what I think is the right outcome in the wider context. My remit is to take an overview and decide what's fair "in the round".

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website and I've taken this into account in deciding Mr H's case.

I've decided the loan was provided fairly because:

- I think the checks Cashfloat did before providing the credit were reasonable and proportionate given the size of the loan it offered and what it knew about Mr H's financial situation. As this was the first loan made by Cashfloat to Mr H they had no existing account to look at to assess how Mr H was managing his finances. Cashfloat relied on what Mr H declared to be true in his application and they performed some checks of their own. Mr H had declared a good income and a good degree of affordability for the borrowing in his income and expenditure responses.
- Cashfloat's checks showed Mr H had a good income from an employment that went back to 2015. I note that some of Mr H's existing borrowings had been acquired in the six months before this loan was taken out. But Cashfloat's checks showed that Mr H's existing borrowings were modest in nature, compared to the size of his income. And they showed that, Mr H had been affording his existing borrowings as the credit report showed no record of any defaults, missed payments or CCJ's. So, thinking about the information that was declared to them or that they found out for themselves, I have seen insufficient evidence to think Cashfloat should have been on notice either to make more searching enquiries into Mr H's finances or to have avoided providing the loan.
- Based on the information Cashfloat gathered and what it knew about Mr H's circumstances, there was nothing to suggest Mr H was likely to be unable to

sustainably repay what he was being lent. And Mr H did repay what he was being lent.

- I don't think Cashfloat acted unfairly in any other way.

This means I don't think Cashfloat did anything wrong when it provided the loan to Mr H.

Mr H has explained that he had a gambling habit at the time. But I have seen no evidence that Mr H told Cashfloat about his gambling habit. I have to look at the information that was available to Cashfloat at the time they made their lending decision and not to use hindsight. I have seen no evidence that Cashfloat was made aware of the habit at the time the Loan was agreed. And I have seen insufficient evidence that the other information that Cashfloat acquired or had presented to them at the time of the lending decision, would have led them to think that they were remiss in not checking Mr H's finances more closely.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Cashfloat lent irresponsibly to Mr H or otherwise treated him unfairly. 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.

Mr H has had much to say about the successful outcome he had with a complaint on a different case for lending at a similar time. I need to say that each case is decided on the individual circumstances of that particular case. And I hope Mr H will appreciate that I have provided my reasoning above explaining why I cannot uphold this particular complaint.

I know that Mr H will be disappointed with my decision, in itself and because he has invested time and energy in pursuing his complaint. But I want Mr H to know that I considered all the submissions made in this case. And having considered all the submissions in this case, particularly those concerning the time of the lending decision, I have not found sufficient evidence to uphold this complaint. Consequently, and for the reasons above, I'm not asking Cashfloat to do anything to put things right.

My final decision

My final decision is that I'm not upholding Mr H's complaint about Western Circle Ltd trading as Cashfloat.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 4 March 2026.

Douglas Sayers
Ombudsman