

The complaint

Mr S complains that Fluro Platform Limited trading as Fluro was irresponsible in its lending to him. He wants his loan written off and any adverse information removed from his credit file.

What happened

Mr S was issued with a £10,000 loan by Fluro in December 2022. The loan term was 60 months, and Mr S was required to make monthly repayments of £258.05.

Mr S said that the loan shouldn't have been given. He said that he was in severe financial difficulty at the time of his application and was vulnerable due to a long-term gambling addiction. He said that his bank statements for the months leading up to the loan showed highly unstable activity and frequent high-value payments to gambling operators. He said that Fluro had access to his statements through open banking and so it should have seen the situation with his gambling payments as well as his payments to several other lenders. He said that adequate checks weren't carried out to assess his vulnerability or to check if he was caught in a cycle of harmful borrowing.

Fluro issued a final response not upholding Mr S's complaint. It said it carried out affordability and credit checks before the loan was provided. It explained that Mr S passed its internal credit score and had disposable income of £1,280 after the Fluro loan repayments. Therefore, it found that the loan was affordable for Mr S. Fluro noted Mr S's comment about his gambling but said that its checks relied on information from the credit reference agencies and other standard affordability checks. It said that its checks didn't identify Mr S's gambling.

Mr S referred his complaint to this service.

Our investigator thought that Fluro carried out reasonable and proportionate checks before the loan was issued. As these suggested the loan to be affordable for Mr S he didn't think Fluro had made an unfair lending decision.

Mr S didn't agree with our investigator's view. He noted that the credit and income data may have suggested the loan to be affordable but thought that certain aspects of his situation weren't taken into account. Mr S said that had Fluro even taken a brief look at his statements which he said were available to it through open banking, then it would have seen his gambling. He said his credit file showed he had a high level of debt and that he was struggling financially and unable to control his financial decisions. Mr S said that he can't afford to repay the remaining balance on his loan.

Our investigator issued a second view responding to the points Mr S had made. He explained that Fluro's initial checks of Mr S's credit file and the verification of his income didn't raise concerns that meant further checks, such as accessing his bank statements, were needed. He responded to Mr S's other comments but didn't find that Fluro should have identified that this loan would put Mr S under financial strain.

Mr S didn't accept our investigator's second view. He said the calculation of disposable income didn't reflect his actual situation and he was using most of his wages repaying other creditors and gambling. He said regular costs such as housing costs, utilities and other regular living costs weren't included in the assessment. Mr S said that his overall situation and debts weren't considered and Fluro ignored the risks of lending to him as a vulnerable consumer.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a 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.

Our general approach to complaints about unaffordable or irresponsible lending – including the key rules, guidance and good industry practice – is set out on our website.

The rules don't set out any specific checks which must be completed to assess creditworthiness. But while it is down to the firm to decide what specific checks it wishes to carry out, these should be reasonable and proportionate to the type and amount of credit being provided, the length of the term, the frequency and amount of the repayments, and the total cost of the credit.

Mr S was provided with a £10,000 loan which required monthly repayments of around £258. This was a large loan and so we would expect Fluro to carry out checks sufficient to enable it to get a clear understanding of Mr S's financial circumstances at that time.

Before the loan was issued, information was gathered about Mr S's employment status, and his income was verified using a credit reference agency tool. Mr S was asked about his housing costs and declared these as £200. A credit check was undertaken which recorded Mr S had £13,886 of revolving credit and hadn't missed any payments within the previous 36 months. While I think it reasonable that Fluro relied on its credit check results it received I have also looked at the credit report Mr S has provided. This shows Mr S's credit card accounts as well as an active loan account with monthly payments of £156. While Mr S had had previous other loans, these had been settled before the Fluro loan, and his credit report didn't record any issues with his credit at the time.

While I can see that Mr S already had existing credit commitments, and this was a sizeable loan, comparing his overall borrowing (including the Fluro loan) to his validated income, I do not find I can say that Mr S's existing credit commitments meant that further lending shouldn't have been given. As Mr S's income was validated, the credit check suggested he was managing his existing commitments, and his calculated disposable income (after deducting his credit commitments, housing costs and an estimate for his living expenses) was sufficient to cover the Fluro repayments as well as have funds left for unforeseen costs, I find the checks were proportionate.

However, just because I think reasonable checks were undertaken, it doesn't necessarily mean that I think the loan should have been given. To assess that I have considered the outcome of Fluro's checks to see if these raised concerns that meant further information should have been gathered or the loan not provided.

Mr S's income was validated as £3,567 and while I do not find that further checks of this were needed, his bank account statements support this figure. While he declared housing costs of £200 Fluro increased this to £548 based on third party data. An amount of £1,133

was estimated for his living costs (including costs such as utilities and council tax) which I find reasonable. Mr S's payments to his existing credit commitments were taken from his credit file and his revolving credit commitments were recorded as £347. Deducting these costs from Mr S's income resulted in disposable income of £1,539. Given the Fluro loan repayments were around £258, I find that the information gathered by Fluro suggested the loan to be affordable (and note that had the additional loan repayments of £156 been identified these wouldn't have changed the outcome).

Mr S has explained that he was spending large amounts gambling at the time. I am sorry to hear about this, and I do not underestimate the upset and financial strain this will have put on him. However, in this case, I think the checks carried out by Fluro were reasonable and so I do not think it was required to request copies of his bank statements. While Mr S had said his statements were available through open banking, Fluro has explained that it used industry tools to validate Mr S's income and then estimated his expenses based on third party data and credit reference agency data. Therefore, I accept that it didn't need to review his bank account statements and so wouldn't have been aware of his gambling. As I have nothing to show that Mr S made Fluro aware of his vulnerable situation at the time of lending, I do not find I can say that Fluro was required to take any further action or carry out additional checks because of this.

Therefore, as I find the checks were proportionate and these suggested the loan to be affordable, I do not find I can uphold this complaint. That said, as Mr S has made Fluro aware of his situation and that he is unable to repay the loan, we would expect Fluro to work with him and treat him positively and sympathetically in its ongoing interactions.

I've also considered whether Fluro acted unfairly or unreasonably in some other way given what Mr S has complained about, including whether its relationship with Mr S might have been viewed as unfair by a court under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Fluro lent irresponsibly to Mr S or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

My final decision is that I do not 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 10 February 2026.

Jane Archer
Ombudsman