

The complaint

Mr S complains SECURE TRUST BANK PUBLIC LIMITED COMPANY trading as Moneyway (Secure Trust) irresponsibly lent to him and misled him about a car finance agreement he entered into with it.

What happened

Mr S entered into a hire purchase agreement with Secure Trust in January 2020 in order to acquire a used car. The cash price of the car was £31,500. He paid a deposit of £1,500 and part exchanged another vehicle for £10,000. The total amount payable under the agreement was £45,359.60. He was to pay 59 monthly instalments of £564.16 and a final instalment of £574.16.

Mr S complained to Secure Trust on 15 May 2025. In summary, he complained about the lending decision. He also had concerns about the sales process. He feels he was given misleading information about the total repayable and he received multiple versions of the agreement. He also said he paid a £300 accountancy fee because he was told it would be harder to get approved as a self-employed person. He says the salesperson had access to his phone and at the time he didn't think anything improper would happen. He said he was vulnerable at the time and experiencing an undiagnosed illness. He said his symptoms included confusion and memory loss.

Secure Trust didn't uphold the complaint. It felt the information provided had been reasonably clear about the terms of the agreement and the lending decision had been a fair one. Mr S remained unhappy and asked our service to look into things.

On 3 February 2026, I issued a provisional decision. I said:

Where the evidence is incomplete, inconsistent, or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances. I appreciate I have summarised Mr S's complaint, and this reflects the informal nature of our service. I want to provide assurance that I have thought about everything which he has told us when reaching a decision on the matter. Where a specific point is not mentioned, it is not because it hasn't been considered but because I don't think I need to comment on it to reach the right outcome here. I've focused on the reasons for reaching the decision I have.

Our approach to complaints about unaffordable and irresponsible lending is set out on our website. In summary, I think there are some key questions I need to consider in order to decide what's fair and reasonable in the circumstances of this complaint.

This includes:

- 1. Did Secure Trust complete reasonable and proportionate checks to satisfy itself that Mr S was in a position to sustainably repay the credit?*

- *If so, did Secure Trust make a fair lending decision?*
- *If not, what would reasonable and proportionate checks have shown?*

2. Did Secure Trust treat Mr S unfairly or unreasonably in some other way?

Secure Trust had to carry out reasonable and proportionate checks to satisfy itself that Mr S would be able to repay the credit sustainably. It's not about Secure Trust assessing the likelihood of being repaid, but it had to consider the impacts 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 repayment and the overall circumstances of the borrower.

Did Secure Trust carry out reasonable and proportionate checks to satisfy itself that Mr S was in a position to sustainably afford the credit?

Mr S declared his net monthly income was £2,369, he was single and renting. Secure Trust obtained a payslip to verify his declared income. Secure Trust has also confirmed it used information from a credit reference agency (CRA) to ensure his income exceeded his expenditure. The application also included details of Mr S's employment including his employer's name and the years he had worked for the employer.

I appreciate Mr S has raised concerns about the payslip provided and a fee he said he paid to convert his bank statements. Secure Trust say it obtained a payslip in order to verify what had been declared by Mr S. Thinking about everything I've seen, I'm unable to conclude it wasn't reasonable for Secure Trust to rely on this payslip to verify what Mr S had declared. I don't think there was any reason for it not to expect Mr S to receive what had been declared and what it could see on the payslip.

I appreciate our Investigator said she would have expected Secure Trust to have obtained further payslips, but I note there is a year-to-date figure which is on the payslip. This adds further weight to this being a stable income for Mr S.

Mr S also said he provided his bank statement to the selling dealer and paid an accountancy fee (which I'll come back to below). However, I can't say from the information I've seen that Secure Trust requested a bank statement or that one was provided as part of the lending application. It doesn't seem Secure Trust received a copy of the statement until Mr S raised his complaint. So, I can't say it ought to have been aware of the information contained within the statement.

In addition to verifying Mr S's income, Secure Trust completed a credit search which showed Mr S had one active current account, a communications account and a loan. Secure Trust recorded his monthly credit repayments as being around £164. There was some adverse information on Mr S's credit file including defaulted accounts. However, the most recent of which was a communications account which was defaulted in 2016. There does seem to have been a few missed payments towards the loan in the period leading up to the lending. However, these seem to have been made up, and all accounts were up to date. There weren't signs Mr S was reliant on credit or overindebted.

Secure Trust also considered Mr S's expenditure. It understood Mr S lived with parents, and this is something which has been disputed by Mr S. Secure Trust estimated Mr S's other expenditure by using statistical data from the Office of National Statistics (ONS) and I note it calculated rent by considering similar properties in the area. Taking all of this into consideration and including the new

monthly repayment, it estimated Mr S's total committed expenditure to be around £1,974 per month. It felt after this he would be left with sufficient disposable income to demonstrate the affordability of the agreement.

Having considered everything, I'm not satisfied the checks went far enough here. I acknowledge Secure Trust sought to verify Mr S's income. However, I think it ought to have also asked about his specific essential expenditure. I've thought about the terms of the agreement, including the total amount payable, the size of the monthly repayments and the duration. These were sizeable payments which Mr S would need to meet over five years. There also seems to have been some late payments within twelve months of the lending decision. In the circumstances, I don't think it was reasonable for Secure Trust to rely on estimated expenditure.

What would reasonable and proportionate checks likely have shown?

Although I don't think the checks carried out by Secure Trust went far enough, this doesn't automatically mean the complaint should be upheld. I must now consider what reasonable and proportionate checks were likely to have shown. To do this, I have considered bank statements for the period leading up to the agreement. To be clear, I don't think there was anything to suggest Secure Trust needed to go as far as to obtain bank statements here. But the information contained on the bank statements does give me a clear indication of what was likely to have been discovered by Secure Trust had it sought to obtain further information about Mr S's specific essential spend.

I've already explained why I think Secure Trust reasonably verified Mr S's income at the time. A declaration of income had been provided to it, and it had received a payslip supporting what had been declared. So, I think it would have been reasonable to use this figure in an affordability assessment. It also had information about Mr S's credit commitments. Thinking about Mr S's other non-discretionary spend (including essentials such as bills, food, petrol and so on), I think it would reasonably have seemed to Secure Trust that the lending was affordable. I say this because I think, on balance, it was likely to have seemed Mr S had sufficient income to cover his existing credit commitments, essential spend and the new monthly repayment. Additionally, he'd be left with enough disposable income remaining to cover other reasonably foreseeable expenditure.

I've also thought about how Mr S had been managing his existing credit commitments and I don't think there was any indicators the lending might be irresponsible. In other words, I don't think the information Secure Trust had indicated he might have been reliant on credit or otherwise struggling to meet his commitments. This is particularly where reasonable and proportionate checks were likely to have shown the lending was affordable.

Overall, I don't agree reasonable and proportionate checks were carried out here. However, I'm satisfied had Secure Trust obtained further information about Mr S's expenditure, then it's likely it would have discovered the lending was affordable. I understand Mr S may feel his circumstances were worse at the time. But I must consider what I think Secure Trust were more likely than not to have found out. Therefore, I'm unable to conclude it shouldn't have lent to Mr S.

Did Secure Trust act unreasonably or unfairly in some other way?

I have seen a copy of the agreement which was signed by Mr S electronically on

24 January 2020 and by a representative for Secure Trust on the same day. The total amount payable is clearly stated at the top of the agreement document, and I'm satisfied Secure Trust provided reasonable information about how the agreement worked. I also have a copy of the pre-contract information and the explanation document.

The £33,895.60 mentioned by Mr S was the amount remaining under the agreement once the deposit and part exchange had been deducted from the total amount payable. Having reviewed these documents, I am satisfied they are all consistent with the information set out in the agreement. I've also seen the e-signature document pack confirming what had been explained and what documents signed. It is in no way unusual for such documents to be signed electronically and I don't think Secure Trust had any reason to think Mr S didn't understand the terms of the agreement. I've also reviewed the payment history, and it seems the balance has been accurately recorded.

Mr S said he was given several copies of the agreement. I haven't seen evidence which persuades me there were different versions of the agreement other than those which were unsigned/signed. Secure Trust would have sent Mr S an unsigned version of the hire purchase agreement for signing. So again, I can't say Secure Trust have caused confusion or that Mr S was misled.

Additionally, Mr S said the selling dealer had access to his phone and he paid a fee of £300 for the selling dealer to provide proof of income. He said he was told it would be difficult to obtain finance as a self-employed person, but the fee would pay for the necessary paperwork to be arranged by an accountant. He said he provided the bank statements. As mentioned, the selling dealer is no longer operating so it isn't possible to ask for further information from them. Therefore, I must consider what information I do have, and this isn't sufficient for me to be able to conclude something went wrong here. The evidence doesn't show Mr S was asked to provide bank statements or that an accountancy fee of £300 was paid.

Moreover, Mr S has said it's against Secure Trust's lending policy to hire on this type of car because it was considered high performance. Secure Trust has confirmed it isn't against its lending policy, and this make and model wouldn't be considered high performance or specialist. I've thought about the make and model of car being acquired here and I'm satisfied Secure Trust's explanation seems a reasonable one. There's no reason for me to think this car was high performance or specialist and I think it's unlikely the application would have proceeded had it been against Secure Trust's lending policy.

I also appreciate Mr S has said he was suffering from an undiagnosed illness at the time of entering into the agreement. He experienced confusion and memory loss due to his mental health. I do appreciate what he has told us, but I can't see from the evidence that Secure Trust ought to have been aware of this at the time it agreed to lend. I would note Mr S has now made Secure Trust aware and I understand he is in arrears. Therefore, I'd remind it of its obligation to treat Mr S with reasonable forbearance and due consideration.

Summary

I appreciate my decision will be considerably disappointing for Mr S and I know he feels strongly about his complaint including the information which was provided at the point of application. However, I must think about what was more likely, on balance, to have happened than not based on the information I have. Having thought carefully

about everything which has been submitted to me, I can't say Secure Trust did anything wrong by lending to him. I'm also not persuaded it treated him unreasonably or unfairly in some other way.

I gave both parties the opportunity to respond to the complaint providing they did so by 17 February 2026. As the deadline has now passed, I've proceeded to a final decision on the matter.

Mr S confirmed he did not accept my provisional decision. In summary he said:

- The Ombudsman relied on a payslip from a company to justify the loan. He never worked for this company, and the payslip doesn't contain his account number or sort code. The phone number for the company is non-functional, and the companies house search shows it is not related to him. Our Investigator confirmed this payslip wasn't sufficient to support the lending decision.
- His bank statements show no regular income, frequent returned direct debits, unarranged overdrafts, and reliance on friends/family to meet financial obligations. His statements show he was receiving universal credit at the time. Our Investigator considered the statements and concluded the lending was unaffordable.
- The provisional decision assumes he was living with his parents, which artificially reduces his expenditure at the time and inflates his disposable income. He was paying rent and all bills for his own accommodation. The evidence has been submitted and it clearly shows he had his own house. This has been ignored.
- He has provided evidence he was living at a different address at the time of the purchase. He has also provided evidence to show his basic bills were not being met. He said he had £7,000 of council tax arrears at the time.
- Credit reference agencies (CRAs) provide information on their websites about the likelihood of being approved for credit over a certain amount. He says his credit score was low and he wasn't asked to provide a guarantor.
- The payment of £1,137 in November 2019 was an insurance payment and it wasn't wages. He has provided evidence to show this.

As Mr S didn't agree with my provisional decision, it is necessary for me to issue a final decision on the matter.

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.

Mr S has spent time providing further information and testimony about his financial circumstances at the time. I want to assure him that I've thought about everything he has said and provided to us. I'd reiterate that where a specific point isn't mentioned it is not because it hasn't been considered, but because I don't think I need to mention it to reach the right outcome here.

I've reviewed the payslip in light of Mr S's comments. I remain content that there was no reason for Secure Trust to have further questioned its validity. Mr S said it does not contain his bank details, but this isn't unusual because such information can be excluded for security

reasons. I note it doesn't include the 'Employer's PAYE Ref', but I don't think this alone is sufficient to say Secure Trust shouldn't have accepted it. I acknowledge what he has said about this not being his own company and the number now not ringing out. However, the address on the payslip is the same address as outlined on the agreement itself. So, it is his address which appears on the regulated agreement and the payslip. For these reasons, I don't think Secure Trust had a reason to further question his income.

I appreciate our Investigator felt the payslip wasn't sufficient, but this is because she felt Secure Trust ought to have obtained further payslips to ensure the income was stable. I don't agree because the payslip outlines the year-to-date income which reasonably demonstrated to Secure Trust what Mr S had earned up to that point. As explained in my provisional decision, Secure Trust have also confirmed it used a CRA tool to ensure his income exceeded his expenditure. For all these reasons, I'm satisfied Secure Trust reasonably verified Mr S's income and had no reason to further question it. I do want to be clear that I haven't included the insurance payment when thinking about the affordability of this agreement.

I do want to reiterate that overall Secure Trust ought to have done more. This was a significant amount of credit, and a sizeable proportion of his net monthly income would be needed to meet the repayments. In order to have completed proportionate checks, I think Secure Trust ought to have asked Mr S for more information about his essential spend. I don't think it had reason to question his income any further. Additionally, I don't think Secure Trust needed to go as far as to obtain the bank statements. This would have been disproportionate based on the information it already had about Mr S's income and credit commitments. I have considered the information on the bank statements, but this is only so I can decide what I think was likely to have been discovered by Secure Trust had it asked Mr S for more information about his expenditure.

Mr S has provided us with some more information about his essential expenditure. I've thought about what he has told us and I've compared this to what is shown on the statements. I appreciate there were cash withdrawals and transfers to his partner which I've considered. At times these varied significantly. So, I can't confidently conclude this was all for non-discretionary spend and would have been disclosed as such at the time of the lending. He has told us he was repaying a loan. Secure Trust had already completed a credit search and didn't need to ask any further questions about his credit commitments because it already had this information from a CRA.

I note Mr S is unhappy because he feels I have reduced his outgoings based on him living at home when he wasn't. But this isn't the case, I've thought about the information I have about his non-discretionary spend including the information on his bank statements and what he has told us when thinking about his expenditure. Secure Trust's affordability assessment also included a payment for rent. So, when I've considered what Secure Trust would have discovered it is based on Mr S living in a rented property.

Having thought about everything, I think Secure Trust were reasonably likely to have discovered the agreement was affordable. In concluding this, I have to think about what was likely to have been disclosed by Mr S about his non-discretionary spend and bearing in mind he wanted to be approved for the lending at the time.

I appreciate Mr S was in significant financial difficulties at the time and there were indicators on his bank statements of this (including returned direct debits, no income, borrowing from friends/family and unarranged overdraft usage). He has also told us he had very significant council tax arrears and that he was on universal credit. He has provided evidence to show us he was behind on his priority bills. As mentioned, Secure Trust had verified his income, and I don't think it needed to go as far as to obtain the bank statements so these indicators

wouldn't have been apparent even if it had completed a proportionate check. Additionally, I think it is unlikely Mr S would have readily disclosed information which was likely to impact the success of his application for the credit.

Secure Trust had completed a credit search which demonstrated that he wasn't overindebted and he seemed overall to be able to manage his credit. There were a couple of missed payments within six months of the lending, but all accounts were up to date at the time of the lending. There were also some signs Mr S had experienced financial difficulty including defaulted accounts from 2015 and 2016. However, some time had passed between these significant issues and when he took out the finance. The monthly repayment was a significant proportion of his, but he didn't appear to have a high overall credit balance. Taking into account all the information, I'm unable to conclude Secure Trust were likely to have discovered any indicators that the lending was irresponsible or unaffordable and would make Mr S's financial situation worse.

I have also taken into consideration what Mr S has said about his credit score at the time. It is ultimately up to the lender what credit risk it is willing to take on when providing credit to an individual, but it must complete appropriate checks to ensure the lending is affordable for the borrower. I've already outlined why I think the checks needed to be more thorough and what I think such checks were likely to have shown. I don't think Mr S's credit score in itself was a reason for Secure Trust not to lend to him.

Moreover, I have thought about Mr S's comments about the type of car. It doesn't seem like this was against Secure Trust's policy to lend so I can't say it did anything wrong here. But I do agree it warranted further checks. This is because there would have been higher road tax and insurance premiums. So, Secure Trust ought to have ensured Mr S would have sufficient disposable income by asking him about his essential spend and I've already explained what I think such checks were likely to have shown.

I've also considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Secure Trust 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.

For the reasons outlined here and in my provisional decision, I'm unable to say Secure Trust shouldn't have lent to Mr S. Secure Trust ought to have done more, but had it done so I think it was likely to have discovered the lending was affordable. Mr S has said he is very worried about what to do as there is a significant outstanding balance. I fully appreciate his concerns here and I'd remind Secure Trust that it needs to treat Mr S with reasonable forbearance and due consideration going forward.

My final decision

For the reasons outlined above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 May 2026.

Laura Dean
Ombudsman