

## **The complaint**

Salary Finance Limited ('Salary Finance') provided Mr A with a £3,000 loan in December 2023. Mr A 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.

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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 A's case.

I've decided the credit was provided fairly because:

- I think the checks Salary Finance did before providing the credit were reasonable and proportionate given the credit it offered and what it knew about Mr A's financial situation.
- Salary Finance's checks showed no defaults, County Court Judgments or accounts in arrangement. Mr A had a monthly income of £1,991 which was verified from his payroll data, and Salary Finance's credit checks indicated his existing credit commitments that totalled around £32,000 were up to date. I acknowledge Mr A's outstanding debt was high in comparison to his income, but I've had to place weight on the fact he declared the purpose of the loan was debt consolidation. I think Salary Finance could have reasonably relied on this information regarding the purpose of the loan - and didn't need to go as far as verifying the specific debts Mr A intended to repay with it.
- Based on the figures Salary Finance considered, and after including the Salary Finance loan repayments, Mr A was left with around £63.31. While this isn't a high amount for any unforeseen costs, if the debt consolidation was taken into account, it would be expected to reduce Mr A's overall cost of credit, or at least not add to this. If this is factored in, Mr A's disposable income would increase to around £184.
- Based on the information Salary Finance gathered and what it knew about Mr A's circumstances, there was nothing to suggest Mr A was likely to be unable to sustainably repay what he was being lent.
- I don't think Salary Finance acted unfairly in any other way.

This means I don't think Salary Finance did anything wrong when it provided the loan to Mr A.

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 Salary Finance lent irresponsibly to Mr A 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.

I know this isn't the outcome Mr A hoped for. But for the reasons above, I'm not asking Salary Finance to do anything to put things right.

### **My final decision**

My final decision is that I'm not upholding Mr A's complaint about Salary Finance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 23 March 2026.

Jane Archer  
**Ombudsman**