

The complaint

Mr M complains that Western Circle Ltd trading as Cashfloat lent to him 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. It relates to one loan taken 15 March 2024 for £750 and repaid earlier than scheduled on 1 August 2024.

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 considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. I have read all of Mr M's submissions including his original complaint letter (and evidence) sent to Western Circle in October 2025, plus the recent Summary Pack he has sent to us.

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 M's case. I've decided the credit was provided fairly because:

- I think the checks Western Circle did before providing the loan were reasonable and proportionate given the loan it offered and what it knew about Mr M's financial situation. Mr M declared an income each month after tax of £2,100 and outgoings (credit costs and general expenditure) of £550 which Western Circle uplifted to around £653 (including credit commitment costs). That left a disposable income of around £1,147. His salary was verified independently.
- Western Circle's credit checks showed Mr M's unsecured debt was £2,002 in loans and £2,540 on his revolving credit accounts. His total credit limit was £5,700 on those revolving credit accounts of which Mr M was using only 44%. His secured debt was a joint account. There were no poor repayment histories, no insolvency markers, or delinquency adverse data. There was nothing to alert Western Circle to any of Mr M's financial issues he's described to us as part of the complaint.
- Despite having a joint mortgage Mr M had declared he was living with his parents. But 50% of the mortgage cost would have been £275 and so even if Western Circle had added that figure to the Income and Expenditure calculations it carried out, this loan would still have looked affordable.
- I did think about the fact that Western Circle's records showed Mr M had an outstanding loan for £1,000 that he'd taken a few days before this one. Plus, he'd taken a £2,000 loan in February 2024 which remained outstanding. But balanced against that was the fact this was Mr M's first application to it, the good repayment

history on his credit file, and the fact that Mr M's overall unsecured debt level was relatively low. These entries would not necessarily precipitate more checks. I realise Mr M thinks that they should have, but that's not the case.

- Based on the information Western Circle gathered and what it knew about Mr M's circumstances, there was nothing to suggest that Mr M was unable sustainably to repay what he was being lent. And although Mr M says that Western Circle ought to have known more than it did, or ought to have found out more than Mr M had told it, this is not what the regulatory framework expects given Mr M's circumstances.
- I recognise that Mr M told us about his gambling and his parents were lending him money. But it would be disproportionate for Western Circle to have discovered, at this stage of the lending relationship, that Mr M was spending his money on gambling. And it's not likely Mr M would have told Western Circle what he was spending his money on. So, I can't fairly attribute to Western Circle knowledge it did not have, nor would I have expected it to have had.
- I don't think Western Circle acted unfairly in any other way.

This means I don't think Western Circle did anything wrong when it provided the loan to Mr M.

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 Western Circle lent irresponsibly to Mr M 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 M hoped for. But for the reasons above, I'm not asking Western Circle to do anything to put things right.

My final decision

My final decision is that I'm not upholding Mr M's complaint.

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

Rachael Williams
Ombudsman