

The complaint

OAKBROOK FINANCE LIMITED trading as Finio Loans ('Oakbrook') provided Mr F with a loan in July 2025. The loan was for £5,000 and was due to be repaid in 36 monthly instalments of around £269. The purpose of the loan was recorded as debt consolidation. Mr F 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.

Having done so, I'm not upholding Mr F's complaint. I'll explain my reasoning below.

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 F's case.

I've decided the credit was provided fairly because:

- Before approving the application, Oakbrook verified Mr F's income using Current Account Turnover data and used statistical data to estimate his essential living costs. They also used his credit file to establish his monthly debt commitments.
- Mr F had told Oakbrook he would be using the loan to consolidate his existing debts so it was reasonable for Oakbrook to think they would likely improve his situation overall. They weren't adding to Mr F's indebtedness but, rather, were providing him with an opportunity to improve his financial circumstances.
- The checks also showed Mr F had around £17,600 external debt and he appeared to be managing these accounts well, with no missed payments, underpayments or arrears in the months leading up to the loan application. I appreciate Mr F feels his high credit utilisation was a clear indication he was dependent on credit and struggling financially. However, the checks Oakbrook carried out didn't suggest he was struggling with his existing accounts and I wouldn't consider this level of debt to be concerning in the context of Mr F's annual income.
- Overall, I'm satisfied the checks were proportionate in the circumstances given the credit they offered and what they knew about Mr F's financial situation.
- Oakbrook's checks show they estimated Mr F's monthly income to be around £2,747 – which I note is slightly higher than the £38,700 annual income he'd provided in his application.

- Mr F stated in his application he had no housing costs, but Oakbrook used an average monthly amount of around £287. They relied on the credit file data to establish Mr F's monthly debt commitments of around £801 and estimated Mr F's other monthly non-discretionary spending to be around £906.
- Based on these figures, and after factoring in the new loan repayment, Mr F was left with a disposable income of around £485 per month. I'm satisfied that even if Oakbrook had used Mr F's stated income figure instead of the higher amount, they'd still have been able to decide the loan would be affordable, especially as it would have been reasonable to assume his payments to existing creditors would decrease after he consolidated his debts with this loan.
- So, I'm satisfied Oakbrook didn't act unfairly when they granted the loan to Mr F as the information they obtained suggested that the loan would be sustainably affordable.

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

Mr F has shared with us his vulnerabilities and the fact he was dealing with gambling-related issues. I thank Mr F for sharing this information and I appreciate he's been going through a difficult time. But I hope my decision has gone some way to explain why I don't think Oakbrook's checks needed to go further than they did, and why I don't think they would have been aware of his wider financial difficulties.

In reaching my conclusions, I've also considered whether the lending relationship between Oakbrook and Mr F might have been unfair to Mr F under Section 140A of the Consumer Credit Act 1974 ("Section 140A"). However, for the reasons I've already given, I don't think Oakbrook lent irresponsibly to Mr F or otherwise treated him unfairly. I haven't seen anything to suggest that Section 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 F hoped for. But for the reasons above, I'm not asking Oakbrook to do anything to put things right.

My final decision

My final decision is that I'm not upholding Mr F's complaint about OAKBROOK FINANCE LIMITED trading as Finio Loans.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 12 March 2026.

Amelie Makris
Ombudsman