

## **The complaint**

Secure Trust Bank Public Limited Company ('Secure Trust') provided Mr H with a finance agreement for a used car. He says the finance was provided irresponsibly and he couldn't afford to repay it sustainably.

## **What happened**

In January 2020, Mr H was accepted for a hire purchase agreement from Secure Trust. The amount of credit was £11,995. Mr H was required to make 56 monthly payments of £312.89 followed by a final payment of £322.98. The total amount repayable was £17,844.73.

Secure Trust agreed that it didn't carry out adequate checks and that its service could have been better. But it didn't find the decision to lend was unaffordable.

## **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.

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 H's case.

Having considered everything, I'm not upholding Mr H's complaint. I've decided the credit was provided fairly because:

- I don't think the checks Secure Trust did before agreeing to lend to Mr H were enough to be reasonable and proportionate – and Secure Trust agrees. I say this because he had some adverse markings on his credit file which ought to have prompted Secure Trust to carry out better credit checks, alongside the income verification and affordability checks it had relied on.
- If Secure Trust had done proportionate checks, I don't think these would have shown it was unfair to provide the agreement though. That's because, based on the information Mr H provided about his financial circumstances at the time, including the bank statements he sent us, there isn't enough to show the agreement was likely to be unaffordable to him. His bank statements show he received around £1,600 in net income monthly and had to pay around £1,140 in committed spending, for things such as household costs and credit he owed elsewhere. So, he'd be left with around £460 each month. Mr H therefore looked to have sufficient disposable income, after paying his credit and household spending commitments, to be able to afford the new agreement.
- Mr H has said he was making constant use of his overdraft and using short-term finance. He was also having some direct debits returned. I've seen the evidence of that. If Secure Trust had carried out better checks I think it was still likely to have found the new agreement was likely to be affordable. In saying this, I'm not suggesting that there wouldn't be times when Mr H might have to be careful with his

finances in order to accommodate the new agreement.

- I note that Mr H had started a previous hire purchase agreement in December 2019. Mr H says that the car he got with that finance had been written off. Mr H is continuing to make reduced payments towards that. I see that this was included in Secure Trust's credit check but not factored in as a credit commitment, which suggests Mr H may have made them aware of the situation.
- I don't think Secure Trust acted unfairly in any other way. I say this having looked at the level of help and support it provided to Mr H after the agreement started when he had difficulties with meeting the monthly repayments. I note that the outstanding amount under the agreement has been taken over by a debt servicer and Mr H is now paying a reduced sum each month.

All of this means that I don't think Secure Trust made an unfair decision to lend to Mr H.

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 Secure Trust lent irresponsibly to Mr H 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 won't be the outcome Mr H hoped for. But for the reasons above, I'm not asking Secure Trust to do anything more to put things right.

### **My final decision**

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 6 May 2026.

Michael Goldberg  
**Ombudsman**