

The complaint

Mr P complains that Amplifi Capital (U.K.) Limited trading as Reevo Money was irresponsible in its lending to him.

What happened

Mr P was provided with a £5,000 loan by Reevo Money in May 2025. Mr P was required to make 34 monthly repayments of £222.07 and a final repayment of £436.35.

Mr P said that he applied for the debt consolidation loan as he was struggling with his existing repayments. He said he had over £38,000 of outstanding debt at the time and was paying around £1,115 a month towards this. He also noted that he had taken out another loan for £5,000 a few days prior to the Reevo Money loan. Mr P said that Reevo Money should have identified the indicators of financial vulnerability given his high level of debt and the number of loans he had taken out in a short period of time and carried out more checks.

Reevo Money issued a final response to Mr P's complaint dated 8 August 2025. It said that it carried out creditworthiness and affordability checks and confirmed Mr P's declared income using credit reference agency data. It said it used third party data to estimate Mr P's general spending and deducted this along with Mr P's rent and payments to his existing credit commitments from his income. It said its checks showed the loan to be affordable to Mr P.

Mr P didn't agree with Reevo Money's response and referred his complaint to this service. He noted that Reevo Money's checks hadn't identified the most recent loan he had taken out a few days before this application.

Our investigator noted the checks that had been carried out by Reevo Money and that these showed Mr P had taken out three loans within the previous five months. She thought this should have raised concerns that prompted further questions. Because our investigator thought further checks should have happened, she reviewed Mr P's bank statements for the three months leading up to the loan. She initially didn't uphold this complaint based on the additional checks.

Mr P didn't agree with our investigator's initial view and said the calculation of his expenses wasn't accurate. He said that he was the sole provider for his family and he transferred money to his wife for shopping and other household costs including gas and electricity. He explained that his transfers could be seen in his statements and were part of his essential spending. Mr P said that had Reevo Money asked him about his expenses he would have explained this. He said that had his expenses been accurately calculated the loan would have been seen to be unaffordable.

Given Mr P's comments, our investigator reassessed his complaint and recalculated his expenses based on the new information provided. Based on this she didn't think that Reevo Money had made a fair lending decision.

Reevo Money didn't agree with our investigator's view. As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a 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.

Our general approach to complaints about unaffordable or irresponsible lending – including the key rules, guidance and good industry practice – is set out on our website.

The rules don't set out any specific checks which must be completed to assess creditworthiness. But while it is down to the firm to decide what specific checks it wishes to carry out, these should be reasonable and proportionate to the type and amount of credit being provided, the length of the term, the frequency and amount of the repayments, and the total cost of the credit.

Mr P was issued with a £5,000 loan requiring monthly repayments of around £222. Before the loan was issued, Reevo Money gathered information about Mr P's employment, income, housing costs and the purpose of the loan. It checked Mr P's declared income using a credit reference tool and carried out a credit search. The credit check showed that Mr P had unsecured debt of £29,766 with balances outstanding on four loans and a credit card. While Mr P's credit file showed he was managing his existing credit commitments with no defaults or missed payments recorded and that he had low utilisation of his revolving credit, it also identified that he had taken out three loans within the previous six months, two within the previous three months. These loans accounted for the majority of his debt and given he was applying for a further loan, I think the increase in his levels of debt should have raised concerns that he might be becoming dependent on credit. The credit report didn't record the loan Mr P had taken out a few days before this loan application, but I think the information it did contain meant that further questions should have been asked and further checks of his expenses carried out.

Reevo Money wasn't required to request copies of Mr P's bank statements as it could have conducted a full income and expenditure check in another way, such as discussing this with Mr P. But I have used the information contained in Mr P's bank statements to assess what I think would most likely have been identified had further checks taken place.

Mr P declared an annual income of £45,600. This would give a net monthly income of around £2,885. However Mr P has explained that his income can vary depending on the nature of his work and looking at his statements his average income for the months leading up to the loan was around £2,192. Mr P's credit file showed he had monthly loan repayments of £868 plus repayments towards a low credit card balance of £129 (repayments of around £6). While I accept the credit file didn't record Mr P's loan from around 11 days prior, his bank account statements show this and so had these been requested I find it likely that this additional loan would have been identified. Also, had Mr P's expenses been discussed with him I have nothing to say he wouldn't have declared this loan. The monthly repayments due on this loan were around £242. Including this additional loan and the Reevo Money loan would result in Mr P's total credit costs being around £1,338. However, I note that the loan was intended for debt consolidation, and so it could be said it wouldn't have increased his credit costs. Taking this into consideration, this would leave Mr P with ongoing credit costs of around £1,116, accounting for around 50% of his income.

Deducting Mr P's £1,116 of credit costs (not including the Reevo Money loan repayments due to the proposed debt consolidation) would leave him with around £1,076 for his other costs. Mr P declared his rent to be £150 and has explained that he paid for gas and electricity through a transfer to his wife and he was also making regular payments for communications /media contracts. These costs (rent, utilities and communications /media) totalled around £350 a month. Mr P has explained that as well as his own food costs (Mr P's

bank statements show several transfers in and out referenced as food, but for this assessment I have just included the payments to stores which would be accepted to be food shops) he was transferring funds to his wife for food and this is identifiable through his statements. Mr P also had transport related costs. Adding the general living costs to the £350 noted above would give monthly expenses of around £1,000. This would leave very limited funds available for any unforeseen costs, and I further note that the expenses figure doesn't include other transfers Mr P was making from his account for items that with additional questions may also have been included as essential spending.

Based on the above, I think further checks would have raised concerns about the affordability of the loan, therefore I am upholding this complaint.

I've also considered whether Reevo Money acted unfairly or unreasonably in some other way given what Mr P has complained about, including whether their relationship with Mr P might have been unfair under Section 140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed results in fair compensation for Mr P in the circumstances of his complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

Putting things right

As I don't think Reevo Money ought to have provided the loan, I don't think it's fair for them to be able to charge any interest or charges under the credit agreement. But I think Mr P should pay back the amount he borrowed. Therefore, Reevo Money should:

- Add up the total repayments Mr P has made and deduct these from the total amount of money Mr P received.
- a) If this results in Mr P having paid more than he received, any overpayments should be refunded along with 8% simple interest (calculated from the date the overpayments were made until the date of settlement).* Reevo Money should also remove all adverse information regarding this account from Mr P's credit file.
- b) If any capital balance remains outstanding, then Reevo Money should arrange an affordable and suitable payment plan with Mr P. Once Mr P has cleared the balance, any adverse information in relation to the account should be removed from his credit file.

*HM Revenue & Customs requires Reevo Money to take off tax from this interest. Reevo Money must give Mr P a certificate showing how much tax it's taken off if he asks for one.

My final decision

My final decision is that I uphold this complaint. Amplifi Capital (U.K.) Limited trading as Reevo Money should take the actions set out above in resolution of this complaint.

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

Jane Archer
Ombudsman