

The complaint

Mr H's complaint is about Loans 2 Go Limited's (L2G) decision to lend. Mr G said the lending was unaffordable.

What happened

L2G provided Mr H one loan in August 2025, the loan was for £2,000 with 24 monthly repayments of £269.33. Mr H repaid the loan early in October 2025.

Mr H complained to L2G about its decision to lend but it didn't uphold his complaint, it said it carried out sufficient checks and those checks showed he could afford the monthly repayments.

Unhappy with L2G's response to his complaint, Mr H referred his complaint to the Financial Ombudsman Service where it was looked at by one of our investigators. Our investigator didn't think L2G was wrong to lend the loan so he didn't recommend that Mr H's complaint should be upheld.

Mr H asked for an ombudsman to decide his complaint as he didn't agree with the investigator's findings.

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 also taken into account the law, any relevant regulatory rules and good industry practice at the time the loans were offered.

Before lending money to a consumer, a lender should take proportionate steps to understand whether the consumer could repay without borrowing further or suffering significant adverse consequences.

A lender should gather enough information for it to be able to make an informed decision on the lending. Although the guidance and rules themselves didn't set out compulsory checks, they did list a number of things a lender could take into account before agreeing to lend. The key thing was that any checks needed to be proportionate and had to take into account a number of different things, including things such as how much was being lent and when what was being borrowed was due to be repaid. A lender should also take into account and react appropriately to what it knew about the consumer at the time it made its lending decision. L2G has provided the application Mr H completed when he applied for the loan. In that application, Mr H declared his monthly income as £4,000 and declared his monthly expenses for housing, utilities and credit commitments as a total of £650.

L2G says it verified Mr H's monthly income using details from credit reference agencies and Mr H's bank deposit. L2G's checks showed Mr H's income was around £3,390. L2G says it used data from the Office for National Statistics (ONS) to determine Mr H's living costs and it

searched his credit file to understand his monthly credit commitments. L2G worked out Mr H's monthly expenses including credit commitments were around £2,720.

I've seen a copy of L2G's credit search and Mr H didn't have any recorded adverse information like defaults or County Court Judgements (CCJ). Mr H was repaying other loans, he had two active running credit accounts and a mortgage. Based on L2G's checks, Mr H had enough to make his loan repayments when due and was left with sufficient disposable income.

I've thought about whether L2G's checks went far enough and I think they did. This was Mr H's first loan with L2G, the monthly repayments were less than 10% of his verified and declared income. Mr H's credit file showed his repayments were up to date and there was nothing in there that suggested he was struggling to manage his credit. In those circumstances, I don't think L2G needed to take its checks further into more granular details of Mr H's financial position like reviewing bank statements. L2G wasn't required to check bank statements and I haven't seen anything that suggests it should have been prompted to do so here.

L2G's reasonable checks showed that Mr H could afford his monthly repayments without suffering adverse financial consequences. So, I don't think it was wrong to lend to Mr H.

I understand my findings will likely disappoint Mr H but I hope my explanation goes some way to help him understand why I've reached these conclusions.

I've also considered whether L2G acted unfairly or unreasonably in some other way, including whether its relationship with Mr H might have been viewed as unfair by a court under s.140A Consumer Credit Act 1974. However, for the reasons I've already given, I don't think L2G lent irresponsibly to Mr H or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

For the reasons given above, I do not uphold Mr H's complaint or make any awards against Loans 2 Go Limited.

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

Oyetola Oduola
Ombudsman