

## **The complaint**

Miss M complains that Metro Bank PLC trading as RateSetter (“Metro Bank”) irresponsibly provided her with a loan which she couldn’t afford and without conducting proper affordability checks.

## **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.

I’m aware that I’ve summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I’ve focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Lastly, I would add that where the information I’ve got is incomplete, unclear or contradictory, I’ve to base my decision on the balance of probabilities.

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 Miss M’s case.

I’ve decided not to uphold Miss M’s complaint for the following reasons:

- I think the checks Metro Bank did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Miss M’s financial situation.
- Miss M’s checks showed she had a sufficient disposable income left each month in which to afford the credit afforded to her. There was no adverse information on Miss M’s credit file such as defaults or delinquencies and which suggested she was managing her other credit commitments well.
- I appreciate that Miss M is suggesting that her actual circumstances may not have been fully reflected either in the information she provided, or the information Metro Bank obtained. However, I can only uphold a complaint against a business where I’m satisfied it has done something wrong. And based on the evidence I’ve seen, and the

information Metro Bank would have seen at the time from Miss M's credit report, I'm satisfied Metro Bank hasn't done anything wrong and made a fair lending decision.

- Based on the information Metro Bank gathered and what it knew about Miss M's circumstances, there was nothing to suggest that Miss M was likely to be unable to sustainably repay the credit she was afforded in a reasonable period of time.
- I don't think Metro Bank acted unfairly in any other way.

This means I don't think Metro Bank did anything wrong when it provided the loan to Miss 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 Metro Bank lent irresponsibly to Miss M or otherwise treated her 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 Miss M hoped for. But for the reasons given above, I'm not asking Metro Bank to do anything to put things right.

Although I'm not upholding this complaint, I can see that Miss M has subsequently taken out further credit with other lenders. I would like to remind Metro Bank of its ongoing responsibility to treat Miss M with consideration and forbearance going forward.

### **My final decision**

My final decision is that I'm not upholding Miss M's complaint about Metro Bank PLC trading as RateSetter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 19 March 2026.

Paul Hamber  
**Ombudsman**