

The complaint

Mr R complains that SECURE TRUST BANK PUBLIC LIMITED COMPANY, trading as V12 Vehicle Finance, irresponsibly lent to him.

What happened

Mr R took out a hire purchase agreement, with V12, for a car in June 2023. The cash price of the car was £15,999; Mr R paid an £800 deposit, the agreement was for a total of 60 months with regular repayments of £346.37 before a final, slightly larger, optional payment.

Some years later, in February 2025, Mr R complained to V12. He said, in summary, that the finance was unaffordable and V12 ought to have been aware of this. In response to the complaint, V12 defended its actions; it considered the finance agreement to have been responsibly provided, and that adequate and proportionate checks had been carried out before approving Mr R's application.

Mr R referred his complaint to this Service for independent review. An Investigator here looked at what had happened; having done so, they thought Mr R's complaint should be upheld. The Investigator said that V12 ought to have gone further with its checks given Mr R's circumstances, and upon review of his bank statements from the time it was clear that he was in some degree of financial difficulty.

V12 disagreed. It said it hadn't considered it proportionate to request Mr R's bank statements at the time; so, it would've never seen the detail within them. Broadly, V12 still considered the finance to have been responsibly provided. Given no agreement was reached, the complaint was passed to me to decide.

Initially, I issued a provisional decision. I said:

"... Fundamentally, the principal point is that V12 needed to make sure it didn't provide credit irresponsibly. In practice, what this means is that it needed to carry out proportionate checks to be able to understand whether any lending was sustainable; V12 had to do so with Mr R's specific circumstances in mind.

There isn't a one-size-fits-all approach to what's considered proportionate, several factors might influence what a reasonable and proportionate check ought to be. V12 has said it took Mr R's declared income, that it used data compiled by the Office of National Statistics ("ONS") to estimate his expenditure, and that it checked with Credit Reference Agencies ("CRAs") to understand more about Mr R's existing credit commitments and how he was managing them.

The results of those checks did show that Mr R had a recent indicator of adverse information recorded against his credit file, recorded by a communications supplier;

but broadly, the results painted a broadly positive picture. No significant adverse information was uncovered, and Mr R appeared, on the face of it, to have enough disposable income remaining after subtracting his essential expenditure – and the cost of this agreement – to meet any unforeseen expenses.

That said, I don't disagree with our Investigator when they found that V12's checks ought to have gone further. Given Mr R's circumstances, as an individual whose income was solely made up of state benefits, and the recent indication of adverse information – while not significant, or relative to borrowing on a loan or credit card – I think there's grounds for further review.

Here, I'll emphasise an important point: further checks don't categorically mean that V12 ought to have requested Mr R's bank statements. In fact, in the circumstances, I think that likely would've been too much scrutiny. Instead, I think V12 should've sought to carry out a more detailed affordability assessment; essentially, confirming what Mr R's income really was – as opposed to taking his initial declaration – and what his essential committed expenses were, and it could've done so in a number of ways.

In any case, while there wasn't an obligation for V12 to request current account statements, I've noted that our Investigator used them as a means of understanding what further checks might have revealed. So, I've reviewed them too. Having done so, looking at Mr R's income and essential committed expenditure, it appears the agreement was affordable for him. V12 could take any benefits into consideration, and it wouldn't have needed to know about everything Mr R was spending. Fact is there was no requirement for it to forensically review all of his outgoings, or his general current account conduct. Instead, if it had carried out a more detailed income and expenditure assessment with Mr R, it would likely have only gathered details of his essential committed expenses – and that isn't a failing.

Put simply then, if V12 had carried out further checks and sought to verify Mr R's income and essential expenditure, I think it would've likely determined that Mr R was generally managing his finances and that he had sufficient disposable income; even if it was apparent that one other existing commitment, with a communications supplier, wasn't quite up to date. To be clear, I'm not saying that Mr R wasn't – or isn't now – under some level of financial pressure; I've no doubt the reality of his situation was and is just as he's described. I can see it was. It's just that here, in these circumstances, V12 didn't discover that, and I don't think it likely would have if it had sought to apply more scrutiny and obtain actual figures from Mr R for his income and committed expenses.

On that basis, I can't fairly say V12's decision to lend here would've been different if it had carried out further review of Mr R's circumstances – or that it was irresponsible. It didn't have access to his bank statements, and I don't consider it likely that it would have seen the true extent of Mr R's wider financial situation even if it did carry out more detailed checks.

In closing, and to sum up, my provisional view of this dispute is that while V12 didn't carry out proportionate checks in the circumstances, I don't think it would've discovered anything within further checks, at the time, which ought to have given it cause for concern enough to not lend; nor that it should've been prompted to entirely verify Mr R's wider financial situation.

That finding will, no doubt, disappoint Mr R. I truly am sorry for that, and I'll remind him here that there is still time to submit further arguments and evidence if he wishes to do so. Overall, though, for the reasons I've explained, my provisional decision is

that I don't uphold this complaint. 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."

V12 agreed with my provisional decision, and it had no further comments. Mr R, though, didn't agree; he largely reiterated his view that the credit had been provided irresponsibly. Among other things, he pointed to the information within his bank statements as being reflective of his true financial position – which in itself demonstrated the lending was unaffordable – and he said his income hadn't been verified.

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.

At the outset, I'll say that I understand Mr R's disappointed by what I set out in my provisional decision. It's a change in the outcome he received from our Investigator, and I know he feels strongly about what happened here. Even so, while I'm sorry about that, I don't find reason to depart from my provisional conclusions. So, in short, I still don't think V12 lent irresponsibly here; it follows that I don't uphold Mr R's complaint.

To address the crux of Mr R's response, I agree with him that V12 didn't do enough; it ought to have gone further in its checks. Largely, I think it should've obtained actual figures for his income and committed essential expenditure – just as Mr R thinks it should. As I've said though, undertaking such analysis doesn't categorically mean asking Mr R for his bank statements – nor forensically reviewing them. Instead, V12 could've obtained that information in a variety of ways. If it had obtained actual figures, alongside everything else returned in its checks, then that likely would've been a proportionate approach here.

In any case, even if V12 *had* gone as far as acquiring Mr R's statements, the agreement still would've appeared affordable. His income and committed essential expenditure left enough disposable income to afford the cost of this agreement and any unforeseen expenses. To reiterate a point from my provisional findings: V12 could take any benefits into consideration, and it wouldn't have needed to know about everything Mr R was spending. Fact is there was no requirement for it to forensically review all of his outgoings, or his general current account conduct. Instead, if it had carried out a more detailed income and expenditure assessment with Mr R, it would likely have only gathered details of his essential committed expenses – and that isn't a failing.

Mr R also mentioned his health conditions, and how those were present at the point of sale. I don't have any reason to doubt that, and I certainly hope that things have improved for him, but I can't say that makes a difference to my findings here. There's no indication that V12 knew anything about Mr R's conditions at the time. That said, if V12 is still in contact with Mr R now, then it should make sure that it's taking account of all his circumstances.

In conclusion then, I don't think V12 provided credit irresponsibly here. It ought to have carried out further checks, but even if it had I'm not persuaded that it's decision to lend to Mr R would've been different. So, for the reasons I've explained, I don't uphold Mr R's complaint.

My final decision

My final decision is that I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or

reject my decision before 24 February 2026.

Simon Louth
Ombudsman