

The complaint

Everyday Lending Limited, trading as Evlo, provided Mr A with the following loan:

Date	Amount	Monthly repayments	Term (months)
September 2023	£5,100	£311.02	48

Mr A says the loan was unaffordable and provided irresponsibly.

What happened

The details of this complaint are well known to both parties, so I won't repeat them 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.

Having done so, I'm not upholding this complaint. I appreciate that this will disappoint Mr A, but I'll explain why.

The rules and regulations in place at the time Evlo provided Mr A with the loan required it to carry out a reasonable and proportionate assessment of whether he could afford to repay what he owed in a sustainable manner. This is sometimes referred to as an 'affordability assessment' or 'affordability check'.

The checks had to be 'borrower' focused. This means Evlo had to think about whether repaying the credit sustainably would cause difficulties or adverse consequences for Mr A. In other words, it wasn't enough for Evlo to consider the likelihood of it getting the funds back – it had to consider the impact of any repayments on Mr A.

Checks also had to be 'proportionate' to the specific circumstances of the lending. In general, what constitutes a proportionate affordability check will be dependent on a number of factors including – but not limited to – the particular circumstances of the consumer (e.g. their financial history, current situation and outlook, any indications of vulnerability or financial difficulty) and the amount/type/cost of credit they were seeking. I've kept all of this in mind when thinking about whether Evlo did what it needed to before providing the loan.

Evlo considered information Mr A provided in his application, verified his income, then gathered further information through open banking and a credit reference agency (CRA) before deciding to lend.

Mr A's net monthly income was around £2,390. He had no defaults reported by the CRA checks, but there had been recent use of payday loans. Overall Mr A's existing debt at the point of application was around £12,000.

Evlo performed a detailed income and expenditure review. This included a meeting with Mr A where his essential expenditure for both existing debt and other household expenses were discussed.

An agreement was reached, where most of the loan from Evlo was to be used to consolidate existing debt, including the payday loans.

Evlo then completed its affordability assessment, using the repayments that would remain after the consolidation and those for this loan. Evlo concluded that this was affordable.

I've considered all the evidence referred to above and completed my own affordability assessment. Having done so I am comfortable that Evlo took a reasonable approach to its calculations and Mr A appeared to agree with this at the time.

Based on the information Evlo gathered and what it knew about Mr A's circumstances, there was nothing to suggest he would be unable to repay what he was being lent.

I've also considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already explained, I don't think Evlo lent irresponsibly to Mr A or otherwise treated him unfairly. 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.

My final decision

My final decision is that I'm not upholding Mr A's complaint about Everyday Lending Limited, trading as Evlo, for the reasons outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 April 2026.

David Barker
Ombudsman