

The complaint

Onmo Limited provided Miss M with a credit card in 2025. It had a credit limit of £2,000 Miss M says the credit was provided irresponsibly.

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.

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.

Having considered everything, I'm not upholding Miss M's complaint. The process may have been imperfect, but it did not lead to an unfair outcome. I'll explain my reasoning below:

I'm not persuaded that the checks Onmo carried out before providing the credit were reasonable and proportionate. I say this primarily because it's unclear what figure it used for Miss M's monthly income, when assessing affordability.

Miss M declared a net monthly income of £2,695. As part of its checks, Onmo verified her income to be £2,145 and says it used this figure in its assessment.

Onmo's other checks identified Miss M's existing debt to be around £24,000. Its credit checks showed no adverse markers on any accounts in the previous 12 months. Using this information, Onmo calculated that Miss M's monthly credit commitments to be £1,175 per month.

Onmo also used a monthly figure for housing costs of around £360 and a calculated cost of living figure to be around £400.

An affordability assessment using those figures, would have left Miss M with only around £100 per month of disposable income, after all non-discretionary expenditure and reasonable repayments towards this credit card. This is at a level that I consider should have prompted Onmo to perform further checks, so that is what I have done.

Having reviewed Miss M's bank statements for the three-month period directly preceding this credit card account being opened, it is clear that her declared net monthly income of £2,695 was accurate, and this makes an important difference when assessing affordability.

There was nothing within Miss M's bank statements to indicate financial difficulty or which contradicted Onmo's assessment of essential expenses as described above.

Therefore I am comfortable that if Onmo had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Miss M.

This means I don't think Onmo were irresponsible when it provided the credit card to Miss M.

Miss M has made a number of points to support her complaint and I'm not going to respond to every single point made. No discourtesy is intended by this, it simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I haven't mentioned, it isn't because I've ignored it, I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

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 Onmo 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 above, I'm not asking Onmo to do anything to put things right.

Whilst I'm not upholding this complaint, I'd like to remind Onmo of its obligation to treat customers in financial difficulty fairly. I would also certainly encourage Miss M to keep in regular contact with Onmo about any difficulties she's facing.

My final decision

My final decision is that I'm not upholding this complaint about Onmo Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 14 May 2026.

David Barker
Ombudsman