

The complaint

Mr M says Loans 2 Go Limited irresponsibly lent to him.

What happened

Mr M took out a loan from Loans 2 Go for £3,000 over 24 months in September 2025. The monthly repayments were £215.

Mr M says had Loans 2 Go done the correct checks it would have seen how heavily he relied on credit to get by. This loan has caused him financial hardship.

Loans 2 Go says it carried out proportionate checks that show the loan would be affordable.

Our investigator did not uphold Mr M's complaint. He found the lender's checks to be appropriate and said they did not show the loan would be unaffordable.

Mr M disagreed with this assessment and asked for an ombudsman's review. He said he had been reliant on credit for three years and his credit file would have shown this. This loan was not affordable for him.

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 approach to considering unaffordable and irresponsible lending complaints on our website including the key relevant rules, guidance and good industry practice. I've had this approach in mind when considering Mr M's complaint.

Loans 2 Go needed to take reasonable and proportionate steps to ensure that it didn't lend to Mr M irresponsibly. This means it should've carried out reasonable and proportionate checks to satisfy itself that Mr M could repay the loan in a sustainable way. These checks could take into account a number of things such as the loan amount, the repayment amount and Mr M's income and expenditure.

To decide this complaint I need to consider if Loans 2 Go's checks were proportionate; if so, did it make a fair lending decision; if not, what would proportionate checks most likely have shown; and finally, did Loans 2 Go act unfairly towards Mr M in some other way.

I have reviewed the lender's checks. It asked Mr M for his income, employment status and outgoings. It verified his income using an external source. It checked his outgoings against national statistics and increased them if his declared costs were lower. It checked his credit file to understand the cost of his existing commitments and his repayment history. From these checks combined it concluded Mr M had enough disposable income to take on this new loan.

I think these checks were proportionate given the value of the loan and its monthly

repayments relative to Mr M's verified income and the stage in the lending relationship. And I think Loans 2 Go made a fair lending decision based on the information it gathered.

Loans 2 Go was able to verify Mr M had a net monthly income of £3,169.55 and total non-discretionary outgoings of £2,621.20. Mr M says that his income was irregular, but Loans 2 Go was able to successfully verify a monthly amount close to his declared level – and it used this slightly lower amount. So it was reasonable to conclude he had the disposable income needed to repay this loan.

He did have other debts at the time, but they were all well-managed and up-to-date. He was not overlimit on any of his revolving accounts. There was no adverse data such as defaults or CCJs on his file. He had no active payday loans and was not using an overdraft facility. So, I can't see there were any indicators of financial difficulty that Loans 2 Go overlooked.

It follows I do not find Loans 2 Go was wrong to lend to Mr M. To be clear, I am not doubting his testimony that he was struggling financially, rather I do not find it would have been proportionate for the lender to carry out the depth of financial review needed to possibly discover this. I am sorry to hear he is struggling and I hope he now has the support he needs. If not, StepChange (0800 138 1111) can provide free advice and support with debt management.

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 given, I don't think Loans 2 Go lent irresponsibly to Mr M 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

I am not upholding Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 March 2026.

Rebecca Connelley
Ombudsman