

## **The complaint**

OAKBROOK FINANCE LIMITED trading as Finio Loans ('Oakbrook') provided Miss B with a loan in March 2024. The loan was for £2,000 and was due to be repaid in 24 monthly instalments of around £139. Miss B 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.

Having done so, I'm not upholding Miss B's complaint. I'll explain my reasoning below.

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 B's case.

I've decided the credit was provided fairly because:

- Before approving the application, Oakbrook verified Miss B's income using Current Account Turnover data and used statistical data to estimate her essential living costs. They also used her credit file to establish her monthly debt commitments.
- The checks showed Miss B had around £9,500 external debt and she appeared to be managing these accounts well, with no missed payments, underpayments or arrears in the months leading up to the loan application. Multiple defaults had been recorded 40 months prior and a County Court Judgment 58 months prior, but there had been no further issues with Miss B's accounts since. So, whilst this information suggested Miss B had previously been in financial difficulty, this didn't appear to be the case anymore.
- Overall, I'm satisfied the checks were proportionate in the circumstances given the credit they offered and what they knew about Miss B's financial situation.
- Oakbrook's checks show they estimated Miss B's monthly income to be around £1,803 – which I note is slightly lower than the £27,897 annual income she'd provided in her application.
- Miss B stated in her application she had housing costs of £600. Oakbrook relied on the credit file data to establish Miss B's monthly debt commitments of around £355 (which included repayments to her defaulted balances) and estimated Miss B's other monthly non-discretionary spending to be around £536. Finally, they added an inflation buffer of around £74.

- Based on these figures, and after factoring in the new loan repayment, Miss B was left with a disposable income of around £98 per month. I appreciate Miss B doesn't feel this is enough to be left with each month over the two-year borrowing term. However, Oakbrook had allocated a buffer of around £74 so, in essence, she had more than the stated £98 disposable income remaining to cover discretionary or unplanned costs.
- So, I'm satisfied Oakbrook didn't act unfairly when they granted the loan to Miss B as the information they obtained suggested that it would be sustainably affordable.
- I'm sorry to hear about Miss B's financial difficulties following the breakdown of her relationship in August 2024, and subsequent health issues. However, I'm satisfied Oakbrook treated Miss B with forbearance when she contacted them about her financial difficulties.

This means I don't think Oakbrook did anything wrong when it provided the loan to Miss B.

In reaching my conclusions, I've also considered whether the lending relationship between Oakbrook and Miss B might have been unfair to Miss B under Section 140A of the Consumer Credit Act 1974 ("Section 140A"). However, for the reasons I've already given, I don't think Oakbrook lent irresponsibly to Miss B or otherwise treated her 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.

I know this isn't the outcome Miss B hoped for. But for the reasons above, I'm not asking Oakbrook to do anything to put things right.

### **My final decision**

My final decision is that I'm not upholding Miss B's complaint about OAKBROOK FINANCE LIMITED trading as Finio Loans.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 16 March 2026.

Amelie Makris  
**Ombudsman**