

## The complaint

Mrs P complains that Evergreen Finance London Limited trading as MoneyBoat.co.uk (MoneyBoat) lent to her irresponsibly.

## What happened

Mrs P took two loans. At first Mrs P requested £1,000 and MoneyBoat approved £200 on 29 January 2025, repayable over six months at a little over £65 a month. Mrs P paid it back within a few days of taking it.

Mrs P requested £1,500 a few days later. MoneyBoat approved £800. The second loan was approved on 3 February 2025 and it was scheduled to be repaid over six months at £253 a month. In November 2025 Loan 2 remained outstanding. Mrs P has said she's entered into a debt management plan (DMP) and this MoneyBoat debt was part of that DMP.

After Mrs P had complained, received the final response letter from MoneyBoat and had referred it to the Financial Ombudsman, one of our investigators reviewed it. The outcome was that our investigator did not think that the loans had been lent irresponsibly or that Mrs P had been treated unfairly.

Mrs P disagreed and said that:

- insufficient weight has been attributed to her underlying vulnerabilities and
- the lending was unsustainable, given the pattern of borrowing, proximity of loans, and the harm that followed.

The unresolved complaint was passed to me to decide.

## 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.

### *vulnerabilities*

My first paragraphs address Mrs P's points surrounding her vulnerabilities. I have read that they are more than one – physical and mental and a gambling issue. I was sorry to read of these. I have not gone into details in this decision as – for privacy – we don't usually mention the details in published decisions.

I assure Mrs P that I've considered these elements as part of the complaint. But the reality is that unless I have evidence of MoneyBoat being aware of these vulnerabilities before the lending decisions were made on 29 January 2025 and 3 February 2025 then I can't expect it to have accounted for them.

### *Irresponsible lending*

MoneyBoat needed to make sure that it didn't lend 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 for Mrs P before providing it.

Our website sets out what we typically think about when deciding whether a lender's checks were proportionate. And I've used this approach to help me decide her complaint.

Generally, we think it's reasonable for a lender's checks to be less thorough – in terms of how much information it gathers and what it does to verify that information – in the early stages of a lending relationship. But we might think it needed to do more if, for example, a borrower's income was low, the amount lent was high, or the information the lender had – such as a significantly impaired credit history – suggesting the lender needed to know more about a prospective borrower's ability to repay.

As both loans were taken close together then the details submitted to MoneyBoat and what it discovered from its own research were similar. So, I have looked at the detail for the Loan 1 and Loan 2 credit search details together.

MoneyBoat carried out the two credit searches. Mrs P did not have a great deal of open accounts when it did its search on 29 January 2025 and again on 31 January 2025.

Mrs P had several current accounts and none of them had overdraft facilities and were at £0 balance in any event. Mrs B had a few revolving credit accounts which included a couple of credit cards and a mail order account. The mail order had the largest balance of around £5,000 on a limit of £7,000 but there were no adverse payment entries. I'd expect Mrs P to be paying that back at around 3% of the balance each month as a minimum repayment and MoneyBoat would have been acting reasonably had it calculated that figure – around £150 a month.

The credit cards were either at £0 balance or were being used, and she was well under the overall credit limit. Her balance was £254 on all credit cards and so the 'balance to credit limit' ratio on the cards was 50% on a total limit of £500. And 3% minimum repayment was around £8 a month.

Mrs P had taken two loans in November 2024, and the repayments were £92 and £108 a month and they had no adverse repayment markers attached to either of them.

In addition to the above Mrs P had a telecoms account as most people do. There's no monthly repayment figure given on the credit search I've seen. But having calculated what Mrs P was repaying on her other credit, it was well below Mrs P's income after subtracting her general expenditure figures. And so, I'd consider it was an affordable telecoms account.

The credit search for Loan 2 was on 31 January 2025 and so the figures were the same as I would expect them to have been as the gap between the first and second search was a few days. And I have calculated that Mrs P was committed to spending £358 a month on all accounts and so if I round that up to around £400 a month to include the telecoms repayment if applicable then I'd consider that a fair rounded figure to use.

There were no insolvency markers on either of the two searches carried out, no late payments and no adverse data of any kind on the credit searches.

So, my view is that MoneyBoat could not be expected to have been on notice that Mrs P was struggling financially.

MoneyBoat had received a declared income figure from Mrs P of £3,500 a month. It had used the credit reference agency service offered to verify that the credits coming into her bank account were around that figure. Mrs P has said that she was on benefits but I've no evidence from Mrs P to suggest that this was an incorrect monthly figure. And the fact that Mrs P's income was made up of benefits does not of itself mean that she was not entitled to apply for credit. Having applied, MoneyBoat carried out its checks. The benefits payments can be considered income for the purposes of assessing a credit application.

Therefore, taking all the above into account, MoneyBoat was entirely within the regulatory framework to use the household costs and expenditure figures she presented to it. And the fact that it cross referenced them with some national statistical data was not incorrect. The Consumer Credit Sourcebook which provides guidance to lenders on lending responsibly does include this guidance: that it

*'...may take into account statistical data unless it knows or has reasonable cause to suspect that the customer's non-discretionary expenditure is significantly higher than that described in the data or that the data are unlikely to be reasonably representative of the customer's situation.'*

For clarification, 'non-discretionary' expenditure means all the usual costs associated with rent and bills and council tax – items for Mrs P was committed to pay. I don't consider that MoneyBoat had any evidence to suggest that Mrs P's non-discretionary expenditure was 'significantly higher' than the statistical data it looked at. So I consider MoneyBoat acted fairly by using such data to cross reference it with her declared figures and adjust where necessary.

The figures declared by Mrs P, and increased by MoneyBoat having done its own research, are set out in the FRL and as both parties have that I do not set them out again here.

The calculations led to MoneyBoat recognising that Mrs B had about £2,270 a month left over as 'disposable income'. And therefore, the loans were affordable. Plus, Mrs P would have had more than enough to absorb any additional costs over and above those Mrs P had told it about. For instance – I can see that £200 a month for food was likely too low.

Mrs P had no issues with repayment of her recent or existing credit. And although Mrs P says that MoneyBoat ought to have known more than it did, or ought to have found out more than Mrs P had told it, this is not what the regulatory framework expects of a lender. Mrs P does not consider the checks to have been proportionate checks but I consider that they were.

I recognise that Mrs P has told us about her gambling. But it would be disproportionate for MoneyBoat to have asked for bank account statements. And so, it was not likely it would have discovered, at this stage of the lending relationship, that Mrs P was spending her money on betting and gambling. Unless Mrs P had told it. And there's no evidence of that.

My conclusion is that MoneyBoat carried out checks proportionate to the applications being made, reduced the sums it was willing to lend, offered these to Mrs P who accepted them. The lending decisions were fair considering what MoneyBoat knew. I do not uphold the complaint.

I've also considered whether MoneyBoat acted unfairly or unreasonably in any other way and 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 it lent irresponsibly to Mrs P or otherwise treated her 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 is I do not uphold the complaint.

In relation to the outstanding debt, if it remains, Mrs P has already entered a DMP. From that I take it she's sought and received debt advice which I commend her for.

I realise Mrs P will be disappointed with this outcome.

### **My final decision**

I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 15 April 2026.

Rachael Williams  
**Ombudsman**