

## **The complaint**

Mr T complains that a hire purchase agreement with First Response Finance Limited, under which a motorbike was supplied to him, wasn't affordable.

## **What happened**

A used motorbike was supplied to Mr T under a hire purchase agreement with First Response Finance that he signed in December 2023. The price of the motorbike was £3,999, Mr T paid a deposit of £200 and he agreed to make 48 monthly payments of £115.54 to First Response Finance.

Mr T complained to First Response Finance about the hire purchase agreement in November 2025, but it didn't uphold his complaint. It said that it was satisfied that it made a fair lending decision. Mr T wasn't satisfied with its response so referred his complaint to this service.

Mr T's complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He didn't believe that First Response Finance completed proportionate checks but, if it had completed reasonable and proportionate checks, he thought that it was likely that it would've seen that the repayment appeared affordable, so he couldn't say that it had done anything wrong in granting the finance to Mr T.

Mr T says that he doesn't agree with the investigator's recommendation as he doesn't believe the lending decision was proportionate or responsible based on his true financial circumstances at the time, so I've been asked to issue a decision on his complaint. Mr T has provided detailed responses to the investigator's recommendation and says, in summary and amongst other things, that: his temporary second income shouldn't be included as sustainable income; his true living costs were likely understated due to reliance on estimated data; his level of existing debt and overlimit status should have triggered enhanced checks; and a proper verification of his actual expenditure would have shown that the agreement placed further strain on his finances.

## **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.

Mr T applied to First Response Finance for a motorbike to be supplied to him on credit and he declared that he was employed with a net monthly income of £1,373.75. He provided it with a payslip showing that he'd earned £1,543.50 in that month. Mr T also told First Response Finance that he had a second job earning £250 per month, which it says that it confirmed from his bank transactions, but that it didn't include that income in its affordability assessment. First Response Finance also searched Mr T's credit file and completed an affordability assessment using information that Mr T had provided, the payments shown on his credit file and cost of living data from the Office for National Statistics.

I consider that First Response Finance should have seen from its search of Mr T's credit file that he had a credit account with a limit of £4,800, which had been exceeded in January, June and December 2023, so there were indications that he might be in financial difficulties. Because of that, I consider that it should have obtained more detailed information from Mr T about this monthly expenditure, so I don't consider that the checks that it made were reasonable and proportionate in the circumstances of the credit for which Mr T had applied.

I've looked at what First Response Finance was likely to have discovered if it had obtained more detailed information from Mr T about his monthly expenditure. Mr T has provided copies of his bank statements and the investigator used his bank statements for September to November 2023, the three months before he entered into the hire purchase agreement, to complete an income and expenditure analysis. I don't consider that First Response Finance was required to review Mr T's bank statements as it could have obtained information about his expenditure in other ways, but they are a useful source of information about his financial situation. Mr T had told First Response Finance that he was single, had no dependents and didn't pay anything towards his housing costs. The investigator's analysis shows that Mr T's average monthly income was £1,620.72 and his average monthly expenditure, including his normal living costs and payments for his existing credit commitments, was £998.81, and that he had a disposable income of £621.91 each month.

I consider that if First Response Finance had obtained more detailed information from Mr T about his expenditure, it was likely to see that he had enough disposable income to be able to sustainably afford a hire purchase agreement with a monthly payment of £115.54. Mr T has referred to his gambling and overdraft use. First Response Finance says that it wasn't aware of Mr T's gambling and I don't consider that reasonable and proportionate checks were likely to have shown that it shouldn't have provided the credit to him because of his gambling. Nor do I consider that Mr T's overdraft use, or any of the information that was on Mr T's credit file, should have prevented First Response Finance from supplying him with a motorbike under the hire purchase agreement with a monthly payment of £115.54.

I've also considered whether First Response Finance acted unfairly or unreasonably in some other way, including whether its relationship with Mr T might have been unfair under section 140A of the Consumer Credit Act 1974. Having done so, I've not seen anything that makes me think that that was likely to have been the case.

I've carefully considered all that Mr T has said and provided about his complaint, but I'm not persuaded that First Response Finance lent to him irresponsibly. I appreciate that my decision will be disappointing for Mr T, but I find that it wouldn't be fair or reasonable in these circumstances for me to require First Response Finance to take any action in response to Mr T's complaint.

### **My final decision**

My decision is that I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 19 May 2026.

Jarrod Hastings  
**Ombudsman**