

## **The complaint**

Moneybarn No.1 Limited provided Mr J with a car finance agreement in August 2023. He borrowed £8,755 under a conditional sale agreement and was due to repay this over 60 months at £224.40 a month. Mr J says the agreement 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 considered everything, I'm not upholding Mr J'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 Mr J's case.

I've decided the credit was provided fairly because:

- Moneybarn completed checks using Mr J's pay slips and data from the Office for National Statistics (ONS) which isn't unreasonable. But these showed that after accounting for essential expenditure and repayments to this agreement, Mr J would have been left with just £45 a month for other expenses and any unexpected costs.
- I'm not persuaded a disposable income of £45 a month is a reasonable amount given the type of credit and the length of the agreement. So, I don't think the checks Moneybarn did before providing the credit were reasonable and proportionate given what it knew about Mr J's financial situation.
- I think it would have been reasonable for Moneybarn to verify Mr J's expenditure in some other way given what it found. So, I reviewed the open-banking information Mr J shared with the service to understand what it would likely have found had it done so. It appears the amounts allowed for by Moneybarn were substantially higher than Mr J's actual costs.
- Based on the information Mr J provided about his circumstances at the time, there was nothing to suggest Mr J was likely to be unable to sustainably repay what he was being lent.
- Given the evidence available, I'm persuaded that if Moneybarn had done proportionate checks, I think it's unlikely these would have shown it was unfair to provide the credit to Mr J.

- I don't think Moneybarn acted unfairly in any other way either based on what I've seen.

This means I don't think Moneybarn did anything wrong when it provided the car finance agreement to Mr J.

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 Moneybarn lent irresponsibly to Mr J or otherwise treated him 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 Mr J hoped for. But for the reasons above, I'm not asking Moneybarn to do anything to put things right.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 8 May 2026.

Charlotte Roberts  
**Ombudsman**