

The complaint

Fintern Ltd trading as Abound provided Miss S with a £10,000 loan in December 2024. Miss S 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.

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 S's case.

I've decided the credit was provided fairly because:

- I think the checks Abound did before providing the credit were reasonable and proportionate given the credit it offered and what it knew about Miss S's financial situation.
- Abound's checks showed that she had total outstanding debts of around £19,500 consisting of £8,172 of loans and £11,328 of revolving credit. She also had a small overdraft of £41. As this loan was intended for debt consolidation and Miss S identified the credit accounts she intended to repay, I find it reasonable to accept that this new lending would not significantly increase her overall level of debt. Miss S was managing her existing credit commitments with all accounts up to date and no defaults, county court judgments or bankruptcies recorded.
- Abound used open banking data to verify Miss S's income and expenses. Her average monthly income was identified as around £1,859 and she was also receiving regular payments from an individual which was included as a contribution to her costs. This gave total monthly income of around £1,962. Her expenses for core/essential spending averaged around £908 a month. Her payments to her existing credit commitments and the new loan repayments after factoring in the benefits achieved through debt consolidation resulted in monthly credit commitments of around £639. Deducting these costs from Miss S's income left disposable income for any unforeseen costs of around £415.
- Based on the information Abound gathered and what it knew about Miss S's circumstances, there was nothing to suggest Miss S was likely to be unable to sustainably repay what she was being lent.
- I don't think Abound acted unfairly in any other way.

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

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 Abound lent irresponsibly to Miss S or otherwise treated her 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 Miss S hoped for. But for the reasons above, I'm not asking Abound to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss S's complaint about Fintern Ltd trading as Abound.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 11 May 2026.

Jane Archer
Ombudsman