

## **The complaint**

Mr M says V12 Retail Finance Limited ('V12') lent to him irresponsibly when it agreed to give him a loan.

## **What happened**

The loan was granted in June 2025. The loan was for £5,829.10 and was repayable over a term of 48 months with monthly repayments of £121.44. There was no interest charged on the loan.

Mr M also took out an earlier loan in November 2022. Our investigator has already explained why we're unable to consider that.

I've seen that Mr M disagrees with our investigator's finding about this loan. He says we've placed undue weight on the absence of interest charges and haven't fully considered whether it was fair to provide the credit in the first place.

The complaint has therefore been passed to me for a 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 explained how we handle complaints about unaffordable and irresponsible lending on our website. And I've used this approach to help me decide Miss J's complaint.

Having reviewed all the available evidence and information afresh, I've reached the same conclusion as our investigator. I've decided the credit was provided fairly because:

- Given that this loan was interest free, I don't need to consider whether the checks V12 did before providing the credit were reasonable and proportionate.
- Mr M believes that in any event V12 was wrong to grant him the credit. In most complaints that this service looks at and where we find a business didn't act fairly in agreeing to lend, we'd expect the borrower to repay the funds they'd been lent. And I've not seen anything to think the situation is different here. V12 made Mr M aware of the loan terms in the agreement, which clearly states that the credit was granted interest free.
- So Mr M hasn't lost out in terms of redress. That's because our financial redress is designed to put someone back in the position as if the failing had not happened.
- Based on what I've seen I'm therefore in agreement that even if it was the case that I thought V12 ought not to have granted the loan, I wouldn't be requiring it to do anything more, given that Mr M had the benefit of the loan funds and no interest was charged.

- I don't think V12 acted unfairly in any other way.

This means I don't think V12 did anything wrong when it provided Mr M with this loan.

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 V12 lent irresponsibly to Mr M 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 M hoped for. But in the specific circumstances of this complaint, I'm not asking V12 to do anything more to put things right.

### **My final decision**

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 May 2026.

Michael Goldberg  
**Ombudsman**