

The complaint

Ms Z complains that Fluro Platform Limited trading as Fluro irresponsibly lent to her.

What happened

Ms Z was approved for a Fluro personal loan for £15,000 in March 2023. Ms Z said this was irresponsibly lent to her. Ms Z made a complaint to Fluro, who did not uphold her complaint. Fluro said that based on the information available to them at the time, they were satisfied the loan amount was proportionate to her financial circumstances. Ms Z brought her complaint to our service.

Our investigator did not uphold Ms Z's complaint. He said that Fluro should have verified Ms Z's income, but they made a fair lending decision. Ms Z asked for an ombudsman to review her complaint. She made a number of points. In summary, she said that her bank statements prior to 23 March 2023 reflected a pre-completion period when she had not yet taken on her full housing costs (as she was waiting to move into her new house which she had provided Fluro a mortgage letter).

Ms Z said that immediately after completion, her expenditure increased significantly, her credit utilisation rose, and financial pressure began to emerge, therefore, Fluro should have completed a more detailed and proportionate affordability assessment, and this would have identified that her sustainable post-mortgage position was uncertain, and her financial resilience was limited at that time, so greater caution was required, especially due to the size of the loan.

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.

Firstly, I'm aware that I've only summarised Ms Z's complaint points. And I'm not going to respond to every single point made by her. No discourtesy is intended by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

Before agreeing to approve the credit available to Ms Z, Fluro needed to make proportionate checks to determine whether the credit was affordable and sustainable for her. There's no prescribed list of checks a lender should make. But the kind of things I expect lenders to consider include - but are not limited to: the type and amount of credit, the borrower's income and credit history, the amount and frequency of repayments, as well as the consumer's personal circumstances. I've listed below what checks Fluro have done and whether I'm persuaded these checks were proportionate.

Fluro said they completed a credit check with a Credit Reference Agency (CRA) and they used information that Ms Z had provided before approving her application. The information showed that Ms Z declared she was employed, and she declared a net monthly income of

£3,499.

The CRA reported that although Ms Z hadn't defaulted on any accounts in the 12 months prior to these checks, she had defaulted on an account in 2018. It may help to explain here that, while information like a default on someone's credit file may often mean they're not granted further credit – they don't automatically mean that a lender won't offer borrowing. So I've looked at what other checks Fluro made to see if they made a fair lending decision.

The CRA that Fluro used reported that Ms Z had £0 of active unsecured debt. Fluro completed an affordability assessment which included a mixture of information that Ms Z had given them, information from the CRA they used, and modelling, which is an industry standard way of estimating outgoings. The affordability assessment showed that Ms Z should be able to afford sustainable repayments for the loan.

While it's previously been said that Fluro didn't verify Ms Z's income, they actually did through the CRA they used. For example, Fluro could have done this through Current Account Turnover (CATO), which is an industry standard way of assessing income. So they did make a further check here.

So it would not be proportionate for Fluro to have made further checks after they were able to verify the income declared by Ms Z such as request bank statements, or payslips. Ms Z was given the opportunity to declare her housing costs which she declared to be £1,200 a month. But as she needed to provide proof of address to Fluro, she sent them a mortgage letter from her new lender. This showed the monthly repayment to be £1,316.46 a month.

So Fluro didn't just use the housing cost Ms Z gave them, they used the higher figure when they saw the mortgage repayment was higher than she declared. And they rounded this figure to £1,369.46 a month as part of the affordability assessment. It's not clear why they increased the mortgage payment further in their calculation, but by doing so, it included a buffer, so there was no detriment to the affordability assessment in doing this (as opposed to if they used a lower figure than what the mortgage letter showed).

I've considered what Ms Z has said about her new, higher costs when she moved into her new home. But the modelling Fluro used, which is an industry standard way of estimating outgoings, was based on her new address, as she declared this as part of her application to Fluro.

So I'm satisfied that Fluro would not need to do further checks as the address matched the address on the mortgage letter she provided to Fluro. And the affordability assessment showed that Ms Z would have a healthy disposable income in order to meet the new loan repayments in a sustainable and affordable way – and still have a three figure monthly disposable income after the new loan repayment was deducted from Ms Z's income.

So based on Ms Z having no outstanding debt at the time of the loan checks, no recent adverse credit file information, and the healthy disposable income the affordability assessment was showing, it would not have been proportionate for Fluro to have made further checks such as viewing Ms Z's bank statements (which would have shown incorrect information anyway, based on this showing lower costs while she was waiting to move into her new address), or to ask Ms Z for her new outgoings, for the reasons I've already given in this decision. I'm satisfied that Fluro's checks were proportionate, and they made a fair lending decision.

I'm sorry to hear that shortly after the loan was approved that Ms Z found herself in financial difficulty, and she started to utilise more credit. But this would not be foreseeable to Fluro at the time of the checks, especially since Ms Z had no active unsecured debt at the time, no

recent arrears at the time, and the affordability assessment showing the repayments should be sustainable and affordable for Ms Z.

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 can't conclude that Fluro lent irresponsibly to Ms Z 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. So it follows I don't require Fluro to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms Z to accept or reject my decision before 21 May 2026.

Gregory Sloanes
Ombudsman