

## **The complaint**

Everyday Lending Limited trading as Evlo provided Mr S with a £6,000 loan in March 2023. Mr 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 Mr S's case.

I've decided the credit was provided fairly because:

- I think the checks Evlo did before providing the credit were reasonable and proportionate given the credit it offered and what it knew about Mr S's financial situation.
- Evlo's checks showed Mr S had historic county court judgements and defaulted accounts with the most recent judgment recorded in March 2019. Mr S explained the previous debts were due to an ex-partner leaving him with debts and that he was making repayments towards these. I do not think this historic adverse credit data meant the credit shouldn't have been given, but I think it right that a full income and expenditure assessment took place to ensure any further lending would be sustainably affordable for him.
- Mr S was managing his active accounts with no recent missed payments and the accounts up to date. He had taken out a loan around six months before this lending (August 2022) as well as three credit card accounts and another loan (from a communications provider) in December 2022. He explained that he had taken out credit to cover wedding costs. Mr S originally applied for a £1,500 loan to cover wedding costs but during the application process it was agreed the loan amount would be increased to consolidate some of Mr S's debts as well. The debts that would be repaid were identified and some repaid directly. While I note Mr S's comment about being encouraged to borrow a higher amount, the notes show the details of the loan were discussed and Mr S said he wanted to take the loan to reduce his current outgoings and make his finances more manageable. I find that Mr S was aware of the terms on the Evlo loan and made an informed decision about this. I note Mr S's point about the repayment of credit cards not resulting in the credit lines being closed, but I think it reasonable that Evlo accepted Mr S's comment that he intended to repay his debts with the Evlo loan and that he had no plans to take out further credit.

- Mr S's income was verified using his open banking data, his credit commitments taken from his credit file and his expenses based on the higher of the amount identified from Mr S's open banking data and third-party estimates. Mr S's income was around £3,416. A comprehensive assessment of living costs was undertaken, and a 5% buffer was added to give total monthly living costs of around £1,859. Additional to this his share of mortgage costs was included. Mr S's credit commitments, before the consolidation, were around £1,286. However, the debt consolidation reduced Mr S's existing monthly costs by around £380 while the new loan repayments were around £236. Therefore, this loan reduced Mr S's outgoings at that time. Deducting Mr S's costs, from his income left Mr S with limited disposable income. But, noting the full expenses assessment that had been carried out and that a buffer had been added, I do not find the remaining disposable income was such that the loan should have been considered unaffordable.
- Based on the information Evlo gathered and what it knew about Mr S's circumstances, there was nothing to suggest Mr S was likely to be unable to sustainably repay what he was being lent.
- I don't think Evlo acted unfairly in any other way.

This means I don't think Evlo did anything wrong when it provided the loan to Mr 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 Evlo lent irresponsibly to Mr S 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.

### **My final decision**

My final decision is that I'm not upholding Mr S's complaint about Everyday Lending Limited trading as Evlo.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 May 2026.

Jane Archer  
**Ombudsman**