

## The complaint

Mr W says PDL Finance Limited trading as Mr Lender lent to him irresponsibly. Mr W says that Mr Lender didn't make the appropriate checks before lending. So he thinks that it shouldn't have approved these loans.

## What happened

This complaint is about two instalment loans Mr Lender provided to Mr W between March and June 2019.

loan number	date started	amount borrowed	monthly instalments	date ended
1	21/03/2019	£200	3	25/05/2019
2	11/06/2019	£200	6	27/11/2019

Our adjudicator didn't uphold the complaint. He thought the checks Mr Lender had made were proportionate and showed the lending was affordable. Mr W disagreed with the adjudicator's opinion.

As no agreement has been reached the complaint has been passed to me.

## 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 irresponsible lending – including all of the relevant rules, guidance and good industry practice – on our website. Broadly speaking, this all means that Mr Lender needed to take reasonable steps to ensure it didn't lend irresponsibly. In practice, this means it should have carried out proportionate checks to make sure Mr W could repay their loans in a sustainable manner. Additionally, there may come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable.

Applying this to the circumstances of this particular complaint, I have reached the same outcome as our adjudicator, for essentially the same reasons.

For loan 1 Mr W needed to repay around £130 for the next three months. The was reduced to around £80 over six months for loan 2.

I've seen a record of the information Mr W provided when he completed his loan applications. Mr W said he had a monthly income of £2,200 and he had regular outgoings, over the same period, of around £1,200 for loan one and £1,750 for loan 2. So the loans would have seemed affordable to Mr Lender.

I haven't seen any further information that shows its likely Mr Lender was made aware of any financial problems Mr W might've been having. Or anything that would've prompted it to

investigate Mr W's circumstances further. I think it was reasonable for Mr Lender to rely on the information it obtained.

So overall, in these circumstances, I think the assessments Mr Lender did for these loans were proportionate. And I think its decisions to approve these loans were reasonable. I'm not upholding Mr W's complaint about them.

### **My final decision**

For the reasons set out above, I don't uphold Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 February 2021.

Andy Burlinson  
**Ombudsman**