

## **The complaint**

Miss C is complaining that Everyday Lending Limited (“ELL”) irresponsibly lent to her.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat them again here. The facts are not in dispute, so I’ll focus on giving the reasons for my decision. ELL didn’t agree that the complaint should be upheld, it says its checks showed Miss C had sufficient disposable income to afford 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.

Having done so, I agree with the conclusions reached by the adjudicator for these reasons:

- ELL needed was required to carry out checks to make sure Miss C could afford the repay the loans without it adversely impacting her financial circumstances. I think ELL carried out sufficient checks.
- However, its checks showed that Miss C was likely to struggle to repay this loan. Her bank statements show she was reliant on credit as she was borrowing and repaying at least seven other high cost lenders, she was also repaying an active County Court Judgement (“CCJ”) and from the information at the point of sale, the loan was only due consolidate the home lending, although ELL now seems to suggest that its calculation took into account consolidating the other loans. Either way, it was clear that this consumer was reliant on credit and further lending would likely have an adverse impact on her.
- On this basis, I have concluded that ELL shouldn’t have lent the loan to Miss C and it needs to put things right.

## **Putting things right**

- Remove all interest, fees and charges applied to the loan,
- Treat any payments made by Miss C as payments towards the capital amount of £1,500,
- If Miss C has paid more than the capital then any overpayments should be refunded to with 8%\* simple interest from the date they were paid to the date of settlement,
- But if there’s still an outstanding balance, ELL should come to a reasonable repayment plan with Miss C.
- Remove any adverse information about the loan from Miss C’s credit file.

† HM Revenue & Customs requires Everyday Lending to take off tax from this interest. Everyday Lending must give Miss C a certificate showing how much tax it’s taken off if she asks for one.

**My final decision**

I uphold Miss C's complaint and direct Everyday Lending Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 21 March 2022.

Oyetola Oduola  
**Ombudsman**