

The complaint

Mrs D and Miss D complain that Match the Cash Limited was irresponsible in its lending to them. They want all interest and charges refunded along with statutory interest and any adverse information regarding the loan removed from their credit files.

Mrs D and Miss D are represented by a third party but for ease of reference I have referred to Mrs D and Miss D throughout this decision.

What happened

Mrs D and Miss D were provided with an unsecured loan by Match the Cash in February 2022. The loan amount was £5,000 and they were required to make 36 monthly repayments of £234. Mrs D and Miss D say that adequate checks weren't undertaken before the loan was provided and had these happened Match the Cash would have realised that the loan shouldn't have been given.

Match the Cash said that before the loan was provided, checks were carried out on both Mrs D and Miss D to ensure the loan would be affordable for them. It said detailed reviews of their income and expenditure were completed and the information given was verified against their bank statements and data received through its credit checks. It said that based on its checks the loan was affordable.

Mrs D and Miss D referred their complaint to this service.

Our investigator thought the checks carried out before the loan was provided were proportionate. As these suggested the loan to be affordable, he didn't uphold this complaint.

Mrs D and Miss D didn't agree with our investigator's view.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue 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.

Our general approach to complaints about unaffordable or irresponsible lending – including the key rules, guidance and good industry practice – is set out on our website.

The rules don't set out any specific checks which must be completed to assess creditworthiness. But while it is down to the firm to decide what specific checks it wishes to carry out, these should be reasonable and proportionate to the type and amount of credit being provided, the length of the term, the frequency and amount of the repayments, and the total cost of the credit.

Mrs D and Miss D received a joint loan for £5,000. The monthly repayments were £234. Before the loan was provided, Match the Cash carried out income and expenditure

assessments with both Mrs D and Miss D and undertook credit checks. The information provided by Mrs D and Miss D was verified using their bank statements and the information received from the credit reference agencies. Mrs D declared a net monthly income of £1,500 to £1,600 and Miss D said her monthly net income after deductions was £1,237. These figures were supported by their bank statements.

Noting the size and term of the loan and the repayment amounts compared to Mrs D and Miss D's income, I find the checks carried out were proportionate. However, just because I think the checks were reasonable, it doesn't necessarily mean that the lending should have been provided. To assess that I have considered the information received through the checks to understand whether this supported the loan being affordable or raised other concerns that meant the lending shouldn't have been provided.

I have looked through the income and expenditure assessments that Match the Cash carried out and also the bank statements that have been provided. Based on these, the loan appeared affordable with a reasonable level of disposable income remaining for Mrs D and Miss D after the loan repayments, and other spending commitments, had been met.

I have looked through the credit check results. Miss D was recorded as having £7,328 of outstanding unsecured debt which included £1,331 of loans and £3,547 of revolving debts. There were defaults recorded on Miss D's credit report, but these were from 2016. Given the age of the defaults and noting that Miss D's more recent credit history didn't raise concerns about how she was managing her active credit commitments, I do not think that these meant the lending shouldn't have been provided.

Miss D had recently taken out short term loans, but she had said that the loan was in part intended to repay these. Taking everything into account, I do not find that Miss D's credit report results meant the loan shouldn't have been provided.

Mrs D's credit report showed she had a defaulted account with an outstanding balance of £1,984. The default was recorded in April 2020 and Mrs D's more recent credit data didn't raise concerns. So, while the default needed to be considered, given when this was recorded and how Mrs D was managing her active credit commitments, I do not find that this meant the loan shouldn't have been provided. Mrs D's credit report showed she had another loan outstanding and credit card balances, however as these were included in the affordability assessment and didn't raise issues, I do not find that I can say that Mrs D's credit check results meant the lending shouldn't have been provided.

So, for the reasons set out above, I think the checks carried out before the loan was given were reasonable and as these suggested the loan to be affordable, I do not find I can say Match the Cash was wrong to provide the loan.

I've also considered whether Match the Cash Limited acted unfairly or unreasonably in some other way given what Mrs D and Miss D have complained about, including whether its relationship with them might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Match the Cash lent irresponsibly to Mrs D and Miss D or otherwise treated them 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.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Miss D

to accept or reject my decision before 10 July 2025.

Jane Archer
Ombudsman