

## The complaint

Mr C complains that JDB Enterprise Group Ltd trading as Fast Loan UK lent to him irresponsibly when they provided him with two personal loans.

## What happened

In 2024, Mr C was provided with two short-term loans from Fast Loan UK.

I've included a table below showing more detail around the lending agreements.

Loan date	Amount borrowed	Term (days)	Total repayable
17/01/2024	£300	207	£535.98
06/08/2024	£600	178	£984.48

In 2024, Mr C complained. In summary, he said Fast Loan UK had irresponsibly lent to him and that sufficient checks – to ensure his affordability status – hadn't been undertaken.

Fast Loan UK didn't uphold the complaint. They said, in summary, that they had carried out checks proportionate to the amount being lent; those checks hadn't revealed any concerns, and on that basis, the lending had been agreed. They were satisfied they had lent responsibly. They did however, as a good will gesture, offer to remove all negative markers from his credit file upon settlement of his second loan. As well as also offering a reduced payment plan of £82.02 a month for a period of 10 months.

Mr C disagreed and declined the offer; he still thought Fast Loan UK were wrong to have lent to him. So, he referred his complaint to this Service for independent review.

An Investigator here considered Mr C's complaint but didn't recommend it be upheld. In summary, he said:

- The checks carried out by Fast Loan UK were proportionate in the circumstances.
- The information gathered as a result of the checks, wouldn't have given Fast Loan UK any cause for concern, and there was nothing that would have suggested to Fast Loan UK that Mr C was struggling financially, and/or wouldn't be able to afford the loan repayments.
- Any financial struggles, which did materialise for Mr C later, wouldn't have been apparent to Fast Loan UK at the time they provided Mr C with the credit.
- Overall, with that in mind, Fast Loan UK hadn't acted unfairly or unreasonably in providing the above loans to Mr C.

Fast Loan UK accepted the findings, but Mr C disagreed. He maintained he'd been irresponsibly lent to. He said that he had a higher expenditure than the investigator had

accounted for, and it should have been apparent to Fast Loan UK that he was gambling at the time of taking out the credit.

So, as no agreement has been reached by the parties, Mr C's complaint has now been passed to me to decide.

### **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 now reviewed matters, and while this will no doubt disappoint Mr C, I agree with the findings of our Investigator and for broadly the same reasons. I'll explain why.

The rules and regulations in place at the time Mr C was provided with the loans, required Fast Loans UK to carry out a reasonable and proportionate assessment. That's to determine whether Mr C could afford to repay what he owed in a sustainable manner. This practice is sometimes referred to as an 'affordability assessment' or 'affordability check'.

Checks also had to be 'proportionate' to the specific circumstances of the lending. In general, what constitutes a proportionate affordability check will be dependent on a number of factors including – but not limited to – the particular circumstances of the consumer (e.g: their financial history, current situation and outlook, any indications of vulnerability or financial difficulty) and the amount/type/cost of credit they were seeking.

Our website also sets out what we typically think about when deciding whether checks were proportionate. Generally speaking, it might be reasonable for a lender's checks to be less thorough – in terms of how much information they gather and how they verify that information – in the early stages of a lending relationship. But we might think they need to do more if, for example, the income was low, or the amount lent was high. The longer the lending relationship goes on, the greater the risk of it becoming unsustainable and the borrower experiencing financial difficulty. So, we'd expect a lender to be able to show that it didn't continue to lend to a customer irresponsibly.

The checks also had to be borrower focussed; that is, relevant to Mr C. So, Fast Loan UK had to think about whether repaying the credit sustainably would cause him difficulties, or other adverse consequences. In other words, Fast Loan UK had to consider the impact of any repayments on Mr C.

I've kept all of this in mind when thinking about whether Fast Loan UK did what they needed to before agreeing to lend to Mr C.

Here, before agreeing to lend, Fast Loan UK checked data recorded with Credit Reference Agencies ("CRAs"); and they relied upon information provided by Mr C at the time of his application. I've been provided with the results of Fast Loan UK's checks and, in my view, the data they gathered didn't suggest that there was any real cause for concern.

The information Fast Loan UK obtained from CRAs didn't show any recent defaults or County Court Judgments ("CCJs"), nor was Mr C subject to an Individual Voluntary Arrangement ("IVA"), and his existing credit repayments were generally well managed.

The credit check at the time of the first loan, while evidencing some payday lending, didn't show this to be excessive, with several of the agreements having already been settled. And the balance of Mr C's total credit commitments was shown to be around just £3,900, with no payment issues evident.

Mr C declared a monthly income of around £2,200 at the time of the first application, and total outgoings including living costs and credit totalling £900. From the credit check Fast Loan UK ran, along with data they obtained from the Office of National Statistics (ONS data), they determined that Mr C's monthly outgoings were potentially less than this. But exercising caution, they used Mr C's estimates, and concluded he had a disposable income of around £900 a month, and then took steps to ensure that any payment towards their loan did not exceed 50% of this figure (£450).

Given the initial loan was for just £300, and the loan repayments towards this were just £89.99 – well within the disposable income Fast Loan UK had determined – and given there were no signs of financial difficulty evident from the checks Fast Loan UK carried out, I'm satisfied Fast Loans UK's checks didn't need to go further, and that it wasn't unreasonable for them to have determined that the lending was affordable for Mr C in the circumstances.

Turning to the second loan taken out after Mr C's first loan was repaid early, Fast Loan UK, given the increase in borrowing, opted to use Open Banking to verify some of the information that had been disclosed. Having done so, they concluded Mr C's monthly income was lower than previously declared at around £1,700 a month. They again used a combination of ONS data and credit reference agency information to determine Mr C's outgoings, which they concluded were around £1,050 a month. Which, when deducted from the above income, gave a disposable income of around £650. Fast Loan UK again took steps to ensure that the monthly payment Mr C would be committed to, did not exceed 50% of this amount (£325).

Given the second loan was for £600, and taking into account the increased level of checks Fast Loan UK completed, and the ample disposable income evident; along with the fact that there were no further issues evident from the credit check; and no issues experienced with the first loan Fast Loan UK had provided, I think it was reasonable for Fast Loan UK to rely on the results of the checks they had carried out, without the need for these checks to go further.

And while I can see there was some additional payday lending identified, from the credit check Fast Loan UK completed at the time of taking out the second loan, most of this had already been settled, and there were still no payment issues evident from the checks completed. So, while this might be something Fast Loan UK needed to keep an eye on if they continued to lend to Mr C beyond this point, I'm satisfied at this time, that it was reasonable for Fast Loan UK to rely on the results of their proportionate checks. And when taking into account the above, and the new loan repayments of £164.08, I think it was reasonable for Fast Loan UK to conclude the credit was affordable based on the results of those checks.

Mr C's argued that his credit commitments were higher than Fast Loan UK had concluded, and that he was gambling, and feels that Fast Loan UK should have taken this into account.

But Fast Loan UK are only expected to carry out 'proportionate checks', and in the circumstances, I'm satisfied that's what they did. So while I accept that a full financial review – which might have included reviewing evidence such as bank statements, and a full verification of incoming and outgoings – may have displayed more of the information Mr C has referred to, in the circumstances, and given the level of borrowing in question, I don't think it would have been proportionate to expect Fast Loan UK's checks to have gone that far, based on the initial evidence they had seen.

So, while I appreciate this may come as a disappointment to Mr C, and I know it won't be the outcome he's hoping for, for the reasons set out above, I won't be asking Fast Loan UK to do anything further.

Finally, I've also considered whether the relationship might have been unfair under Section 140A (S140A) of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Fast Loan UK lent irresponsibly to Mr C, or otherwise treated him unfairly. I haven't seen anything to suggest that S140A would, given the facts of this complaint, lead to a different outcome here.

### **My final decision**

My final decision is that do not uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 January 2026.

Brad McIlquham  
**Ombudsman**