

The complaint

Miss H complains that Quidie Limited trading as Fernovo lent to her multiple times irresponsibly.

What happened

Loan	Date taken	Date repaid	Highest monthly repayment (rounded)	Loan Amount	Number of instalments
1	07/05/2020	16/07/2020	£73	£150	3
2	23/07/2020	25/09/2020	£85	£200	3
3	02/10/2020	23/12/2020	£100	£200	3
4	14/01/2021	01/02/2021	£46	£100	3
5	06/02/2021	01/03/2021	£97	£200	3
6	08/03/2021	30/04/2021	£66	£100	2
A number of 30 day breaks imposed by Quidie and several loan applications declined.					
7	08/11/2021	31/01/2022	£118	£300	4
8	06/03/2022	05/04/2022	£96	£200	3
9	08/04/2022	27/06/2022	£144	£300	3
29 June 2022 – declined due to CRA check					
10	04/07/2022	05/09/2022	£99	£200	3
Multiple loan application declines and an eleven month gap including a 4 month gap where no contact between the parties at all.					
11	02/08/2023	08/11/ 2023	£98	£200	3
12	29/01/2024	23/02/2024	£139	£300	3
13	06/03/2024	10/05/2024	£202	£500	4
14	29/05/2024	25/08/2024	£77	£150	3
15	26/08/2024	09/09/2024	£158	£300	3
16	04/10/2024	24/10/2024	£148	£300	3
17	04/11/2024	26 June 2025	£121	£300	4

Above is a table of the lending with Miss A.

Loan 10 was upheld by Quidie in its final response letter.

Miss A says, '*I have been approved for 17 loans since May 2020 and Nov 2024 and became reliant on them as I was stuck in a payday loans cycle.*' Miss A has said she had gambling problems.

After Miss A had complained on 1 December 2024 – during Loan 17 - Quidie sent its final response letter. It offered to uphold the complaint about Loan 10 and therefore reduce her outstanding balance on Loan 17 by £200. And further correspondence took place to try to resolve the complaint. The offer negotiated in early January 2025 was about the six loans in 2024 - for the interest to be refunded then set off against the outstanding loan 17. But no agreement was finalised. Since then, I have seen records which shows Miss A repaid Loan 17 in June 2025.

Miss A referred her complaint to the Financial Ombudsman Service and our investigators looked at it all. The most recent view is that Quidie ought not to have approved any of the loans apart from Loan 1. Miss A agrees with this outcome and Quidie does not.

The unresolved complaint was passed to me to decide.

I issued two provisional decisions, the first of which was on 26 November 2025. That is duplicated here for ease of reading.

What I provisionally decided on 26 November 2025 – 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 short-term lending - including all the relevant rules, guidance and good industry practice - on our website.

Quidie had to assess the lending to check if Miss A could afford to pay back the amounts she'd borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. Quidie's checks could have taken into account a number of different things, such as how much was being lent, the size of the repayments, and Miss A's income and expenditure.

With this in mind, I think in the early stages of a lending relationship, less thorough checks might have been proportionate. But certain factors might suggest Quidie should have done more to establish that any lending was sustainable for Miss A. These factors include:

- having a low income (reflecting that it could be more difficult to make any loan repayments to a given loan amount from a lower level of income);
- The amounts to be repaid being especially high (reflecting that it could be more difficult to meet a higher repayment from a particular level of income); having a large number of loans with this lender and/or having these loans over a long period of time with this lender (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable);
- coming back for loans shortly after previous borrowing from this lender had been repaid (also suggestive of the borrowing becoming unsustainable).

There may even come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable for Miss A. Both of the investigators considered that this repeat lending approach applied to Miss A's circumstances. But Quidie says that there are gaps, large and small ones, in the lending relationship plus it carried out checks before each loan. And I have to agree with Quidie. Our approach to repetitive lending is well settled and large interruptions in the loan chains usually have an impact. And smaller gaps in between loans in a loan chain do not persuade me that Miss A was subject to repetitive lending with Quidie in line with our approach. I disagree with both investigators. Having said that I have scrutinised the large gaps in this lending relationship between Miss A and Quidie and I set out my conclusions later in this decision.

Initial points

None of the loans are large. Early loan applications for modest sums are not usually ones where we'd expect a lender to do deep financial assessments. There were significant gaps in the lending which lead to us at the Financial Ombudsman Service to consider that a lender would have been acting reasonably to treat Miss A's applications after those significant gaps as if she were a new customer.

What that means in practice is that usually we'd consider it fair and reasonable that Quidie's checks at Loans 7 and 11 to have been less thorough and that would be proportionate. But this is somewhat academic in these circumstances as Quidie's detailed submissions and presentation of multiple figures and calculations are the same or similar for each loan application made. Which indicates checks were done for every loan.

And I've seen emails from Quidie that often it asked for additional information and imposed 30 day breaks on Miss A which again are indicative of regulatory compliance and following the approach the Financial Ombudsman has presented. Or the emails reveal that for many of Miss A's applications, Quidie asked her for information such as payslips and/or bank account statements for the previous three months showing transactions for expenditure and her income. Then the loans were declined. Either because of what it saw in the information or because Miss A did not send in the information requested.

I have received a list of the dates when payslips were received, and I have seen copies of them. Miss A's income was at a good level on each occasion. As Miss A had sent in the three payslips as requested then the alternative option of sending in bank statements was not done.

There are no copies of any bank account statements sent to Quidie. After the declined loans then a 30 day moratorium was imposed. These emails demonstrate to me that Quidie was following the regulatory framework for responsible lending and also our approach. But, it also demonstrates to me that Quidie was not satisfied with the information it had, to be content to lend responsibly and so was on notice that Miss A needed to demonstrate more to it before being satisfied it could lend.

Our investigators did not have these emails when they sent their views and I consider these important to acquire the full picture.

But the investigators' application of the repetitive lending approach does not fit here as with the additional email evidence I've more evidence to conclude that Quidie were looking at the loans individually and its underwriters were needing more. So, a more individual approach has been needed to satisfactorily assess this complaint.

Added to which, I've little or no evidence of Miss A's gambling. And so, I do not consider that has been made out as part of her complaint.

The applications and Quidie's approach

Miss A had said that she was living at home with her parents during all of these applications. Quidie has, despite this information, used Office of National Statistics (ONS) data to increase the figures Miss A had given to it as her expenditure figures. It has said that it had verified her income. This income increased over the lending period from £2,000 each month after tax at the beginning, to £2,243 at Loan 7, a bit higher at £2,400 a month for loans 8 to 10. The verified income figures from Loans 11 onwards ranged from around £2,660 to £3,250 after tax.

Quidie carried out credit checks with credit reference agencies (CRAs) and the County Court Judgment (CCJ) from April 2016 appears on its search results plus some defaulted accounts in 2015 and up to 2018. This CCJ debt balance overinflated Miss A's total debt balance for some years as it was not satisfied – meaning paid off – until September 2023. So, this 'static account' remained and appeared on each of Miss A's CRA searches carried out by Quidie despite it being from 2016 and so would have been considered historic. Again, this detail is important and I do not think the investigators explained this part.

Quidie is a lender used to lending to individuals with a history of adverse credit data. So, these older defaults and the 2016 CCJ in themselves would not have been too much of a concern to Quidie due to the time that had passed.

Loan 1

I've reviewed the information Quidie had for Loan 1 including the credit report that she had and her outstanding debt was not high. The CRA data does reveal the CCJ from 2016, plus some defaults from 2015 to 2018, plus some adverse payment history over a year before. But overall, this would not be enough to refuse a loan or, where it's a first application and a low value loan, ask for additional information. In light of her income and her living at home, plus the ONS data that Quidie applied I'm satisfied that it carried out proportionate checks and so lent responsibly here. I plan not to uphold the complaint about Loan 1.

Despite the repayment due being £73 a month or less which is not particularly high, this failed at least twice and Miss A had to enter a repayment plan for early July 2020. Then Miss A repaid it early but having been chased for arrears. So, whereas usually repayments made early might be interpreted by a lender that the customer was able to repay easily, I do not consider that applies in Miss A's situation. She had repayment problems for most of them.

Loan 2

This loan was approved and I have reviewed the information on the credit search report from Quidie for this date. Miss A had several current accounts of which one was almost at its overdraft limit, and she was £1 over the limit on one credit card. Miss A had taken a loan with a different lender on 29 May 2020 – relatively soon after taking Loan 1 with Quidie – but it was being paid down satisfactorily. I disagree with our investigator's second view that having one other new loan when she applied for Loan 2 with Quidie necessarily would lead it to consider that refusal of the loan was the only option. I don't plan to uphold the complaint about Loan 2. It was repaid satisfactorily and on time.

Loan 3

For Loan 3 – nothing had changed significantly for Miss A in the CRA check Quidie obtained and she'd paid off Loan 2 satisfactorily. I don't plan to uphold the complaint about Loan 3 as the information it had from Miss A and the ONS data plus its own research were proportionate checks. These that showed the loan to be affordable.

Loan 4

Miss A applied for Loan 4 on 14 January 2021. She did have some trouble repaying Loan 3 and when she applied for Loan 4, despite it being for £100 only, Quidie's underwriters wanted more detailed information from Miss A before lending.

Its email to her dated 10 January 2021 asked her to confirm her expenditure for items such as rent, food, transport, utility bills, council tax and other outgoings. I've specifically asked Quidie about that request relating to her expenditure. Quidie not having sent any evidence of that to me indicates it never received that after asking for it at Loan 4. As this is a provisional decision, if Quidie did receive information from Miss A in response to its email then Quidie has time to send it to me.

I do not know why it approved Loan 4 having asked for and not received information from Miss A. But I'd consider that reviewing bank account statements for a £100 loan likely was disproportionate. Having thought about Loan 4 I have decided to give the benefit of the doubt to Quidie and I plan not to uphold the complaint about Loan 4. It was repaid early on 1 February 2021.

Loan 5

On 6 February 2021 Miss A applied a few days later for Loan 5 - £200. The CRA report I've seen shows that Miss A's overall outstanding debt had gone down a little. Miss A's credit limit on one of her current accounts had been reduced and she'd paid the excess off and so was just within her limit. She also had less overall credit card debt. Quidie did not send Miss A any emails in February 2021 and therefore had considered the information it had was satisfactory to be confident to lend. I plan not to uphold the complaint about Loan 5.

Unfortunately, a payment for Loan 5 failed again late February 2021, but then Miss A repaid the loan early on 1 March 2021. After that Miss A re-applied for a small £100 loan a few days later which was Loan 6.

Loan 6

I have reviewed the information we have for the CRA search Quidie did before lending on 8 March 2021. An unsecured loan taken by Miss A on 31 January 2021 for £2,858 with monthly repayments of £119 would have been a new entry. It did not appear on the previous CRA search (for Loan 5) and likely because new CRA entries often taken up to eight weeks to register. So, Miss A's debt balance had increased to over £6,000 (of which part was that 'static account' likely linked with the CCJ to which I referred earlier in this decision).

However, I do not consider it unreasonable for Quidie to consider it disproportionate to ask for other detailed information for a £100 loan. So, I plan not to uphold the complaint about Loan 6, but I do consider this was a marginal decision to lend without further information. Miss A's repayments failed again on 31 March 2021 and then Loan 6 was paid off 30 April 2021.

After this loan and a further poor repayment history, then I can understand why Quidie refused to deal with her application on 12 May 2021 and imposed a 30 day break or moratorium period due to its view that Miss A had taken a number of loans in a short time. I consider this responsible lending practice.

After this, there were a series of declined applications through to 7 October 2021. This indicates that Quidie was not satisfied and not confident to lend.

Lending break

The six multiple declined applications before Miss A applied for Loan 7, lead me to consider that there was no break in the lending relationship. This is in line with our general approach. Quidie had been emailing Miss A and asking for information, declining her applications and imposing 30 day moratorium periods.

My view of the period between Loans 6 and 7 is that it does not present as a lending relationship break as on 12 May, 4 June, 9 June, 12 July, 10 August and 7 October 2021, Quidie did not lend to Miss A for the reasons I outlined above and earlier in this decision. In between paying off Loan 6 and applying for Loan 7 several months later, the credit search Quidie obtained in November 2021 shows that Miss A had applied for and paid off six other high cost short term loans and was over her limit on three accounts in November 2021. She'd paid off the CCJ on 24 September 2021. Being declined by Quidie for six and taking six from another lender does suggest reliance on this sort of credit.

Loan 7

When Miss A approached Quidie again for Loan 7, after multiple declines plus having reviewed Quidie's research using its own CRA results, my view is that this ought to have led it to have carried out a full financial review before lending. It's worth pointing out that Quidie did feel prompted to get more as I have reviewed the email correspondence surrounding that application in November 2021.

Quidie wrote to Miss A saying:

'Since we are bound to abide by strict industry regulations to ensure that we are always lending responsibly, they would like to verify the loans we lend you are affordable, especially the fact you are frequently using our services - please attach a copy of your 3 last months bank statement showing a full list of transactions, including your income or 3 last payslips.'

I've specifically asked Quidie about this and it did not receive any of those documents it asked for but wrote to Miss A saying it could offer her a lower amount of £300 and she was to respond if she wished to proceed. The loan was approved for the £300 and to be repayable over four months. Usually, its three.

This demonstrates that Quidie did not carry out the checks it ought to have done. And decided to lend the £300 lower amount without additional information and following multiple declines. Just because it was a lower amount does not lead me to think that therefore no

additional checks were required.

So, I've looked to see what Quidie would have discovered if it had carried out a full financial review as I consider would have been proportionate at this stage of the relationship.

Miss A has sent to us some statements. I know from the personal credit file Miss A has sent me and which I have used to gain further detail and cross-reference points, that Miss A had four current accounts. And I can see from reviewing those two bank account statements sent to us that Miss A was transferring money between those four accounts plus a savings account. On that last one I am satisfied that Miss A had no savings at this point. She moved money in and out of that account and often it had very little in it. That changes later.

I do not have copies of each of the current accounts for the relevant period and so I do not consider I have the full picture. I add that its unknown as to which set Miss A likely would have sent to Quidie if she had chosen to do so when it had asked her. So, I have thought about this.

But I have seen emails from Quidie explaining that the funds for successful applications could not be sent to one of the on-line bank accounts and it needed a different account number. I have seen that the Loan 8 funds of £300 credited the high street bank account number ending *1162 and so I think it's likely that would be the set Miss A would have sent. But this set does not show her income crediting it. And so, I doubt this set would have satisfied Quidie.

The only other set I have is from an on-line bank account ending *7788 showing the bank transactions. This does show her salary crediting that account. I've reviewed both sets of bank statements from 1 September 2021 to early November 2021.

On 23 September 2021 Miss A's salary was £1,974 (rounded). On 28 October 2021 it was £2,922 (rounded). As I've said earlier, Miss A has explained to Quidie that she was living at home with her parents and the lack of rent, or utility bills or any other usual bills associated with households are absent from both sets of bank accounts. So, this seems to fit with Miss A's domestic situation. And I will add that it's not likely Miss A was paying full market rent plus bills to live at home.

Further, I do not consider that Miss A would have been exposed to the risk of non-payment of priority bills and/or rent arrears likely to lead to problems with her money such that the repayments to the loan were at risk. I have taken this element into account when considering Miss A's complaint about each of the loans and the submissions made by Quidie.

I have reviewed both of these set of account transactions. There were multiple transactions transferring money out and into other accounts. I have seen that Miss A was paying at least five other loan accounts and a couple of credit cards. But for September 2021 these added up to £816 and for October 2021 these added up to £653. Miss A paid a DVLA instalment likely for her car, a sum to a music streaming service, some train fares and parking costs, and little else that's identifiable. And so, she looked to have had enough disposable income to repay Loan 7.

Miss A has told us of a gambling concern but in these statements there's nothing to indicate that at all. So, I don't consider I have any evidence of that. And although Miss A was paying off several loans and had taken and paid off loans earlier in the year with other lenders and was applying to Quidie in November 2021 for a small loan, the scale of the borrowing does not lead me to conclude reasonably that the was a picture of a person totally reliant on loans such that a further short term loan was irresponsible.

There are none of the signs usually associated with financial difficulties as identified by the Financial Conduct Authority (FCA) such as returned Direct Debits (DD), failure to pay priority bills, deep use of an overdraft, or over indebtedness such that the credit accounts being paid are an overwhelming sum.

In the round I consider that had Miss A sent to Quidie these two sets of bank account transactions, it would have identified likely she could afford the repayments on the relatively modest loan of £300. I plan not to uphold the complaint about Loan 7.

Loan 8

My view is much the same for Loan 8. On 6 March 2022 Quidie asked Miss A for three months of bank account statements or three recent payslips. It looks like Quidie did not get them but it approved the loan anyway. It isn't clear why it took this decision without the requested information. So, I needed to discover what Quidie would have seen if it had obtained further information.

To try to do this, I undertook a similar review as I did for Loan 7 for the months of January 2022 and February 2022 up to 5 March 2022 and for the same reasons as for Loan 7 I came to similar conclusions. Miss A's income crediting one of the accounts was £2,505 in January 2022 and £2,609 in February 2022. Miss A looked to be repaying less in loans and credit card repayments. I do not plan to uphold the complaint about Loan 8. Miss A got into arrears on loan 8 and then repaid earlier than originally scheduled.

Loan 9

For Loan 9 on 8 April 2022 Quidie had asked for additional evidence of her financial position from Miss A again and this time Miss A had sent in payslips. So, it was satisfied as to the income. However, after the additional arrears on Loan 8 then I would have expected the same more comprehensive review to have been undertaken by Quidie. And having reviewed the same bank account statements then I can see that there was a fair amount of evidence from 7 March 2022 of Miss A gambling and betting and I think Quidie would've likely discovered this had it carried out a proportionate check. I plan to uphold the complaint about Loan 9. After that Miss A was refused a loan and Quidie has already chosen to uphold Loan 10.

Lending relationship break in 2022

This brings us to a natural juncture where I consider that the lending relationship ended. And I say that because what followed Loan 10 was multiple refusals by Quidie between September 2022 when Miss A had repaid Loan 10 and early August 2023 when Miss A reapproached Quidie for Loan 11. But the difference in this gap is that it was longer (around eleven months), and there were long periods when Miss A was not in touch with Quidie at all. I do consider that in August 2023 a new lending relationship commenced. So, I'd consider it reasonable for Quidie to have treated Loan 11 as the start of a new lending relationship.

Miss A has said that between June 2023 and August 2023 she took a lot of loans with other lenders. And she says that this demonstrated reliance.

Loan 11

For Loan 11 on 2 August 2023, Quidie asked for bank statements and/or 3 payslips. Miss A sent to it three payslips and it approved Loan 11 for £200. No additional information about any change in Miss A's domestic arrangements appear from the Quidie information or have been sent to me. So, it seems that still Miss A was still living at home with her parents, and the points I made earlier about the benefit of that financially are repeated here.

I consider that the checks Quidie carried out at Loan 11 as the first in this loan chain were reasonable and proportionate and I plan not to uphold the complaint about Loan 11. However, Miss A got into arrears and had to arrange with Quidie two repayment plans and did not pay it off until 8 November 2023.

The rest of Miss A's loan applications were in 2024. And in 2024, the pattern was much the same - Quidie wanted bank statements and/or payslips for each of the applications relating to loans 12 to 17 inclusive. But Miss A only ever sent in three payslips which all indicated a good level of salary after tax. No bank account statements were sent.

Loan 12

Miss A applied for £300 in January 2024. This was a gap of about two months since paying off Loan 11, but the repayment history on Loan 11 had not been good. It obtained the payslips from Miss A and so Quidie was satisfied about her income and it carried out a CRA search.

I've reviewed it and Miss A's overall debt had reduced to around £1,500. The reason appears to have been that in September 2023 Miss A had repaid one of her defaulted accounts which had been for £2,039. But it would not have been the whole reason that her debt balance had dropped from over £6,000 to about £1,500.

And so, I don't consider that Quidie would have been prompted to consider it was necessary to ask for any further information. I don't think it would have thought affordability was an issue. I plan not to uphold the complaint about Loan 12.

Loan 13

Loan 13 was the largest at £500. But I've reviewed the information Quidie had about Miss A's finances and I don't consider that there was anything to lead it to consider additional checks over above the payslips she'd sent in were necessary. I plan not to uphold the complaint.

Loan 13 was approved in early March 2024 and Miss A had to enter a repayment plan on 22 March 2024. It was paid off in early May 2024.

Loan 14

This loan application was for a much smaller amount of £150. So I don't consider that Quidie needed to do more than it did before approving this loan but when Miss A still could not repay that easily – she needed to arrange a repayment plan – and did not repay it until late August 2024, then I think that Quidie ought to have done more and reviewed the bank statements for the next application at Loan 15.

Loan 15

On 26 August 2024, Miss A applied for a £300 loan. Quidie again obtained the three payslips from Miss A and it did a CRA search which I have reviewed. Miss A's debt balance had increased to over £8,000 in a short period and she had opened 10 accounts in the previous six months and so I had a look at those.

Most had already been paid off but at least three were already in arrears and so that demonstrated that Quidie knew she'd had trouble paying off their previous three loans and had been having trouble paying off others. So, I think it ought to have carried out some further financial investigations before lending for the fifth time in this lending chain.

Often, I have had to find copy bank statements covering the relevant period on Miss A's other complaint files we have with her. And so, to review her bank account statements at Loan 15 to cover the period June, July and some of August 2024 I have found the on-line bank statement ending *7788 for that period but not any other.

Reviewing that, I see that in June 2024 Miss A earned £2,930. But Quidie already had her payslips and so I do not consider it needed to check her salary receipts.

Miss A has told us of a gambling concern but in these statements there's nothing to indicate that at all. So, I don't consider I have any evidence of that. And although Miss A was paying off several loans and had taken and paid off loans earlier in the year with other lenders and was applying to Quidie in August 2024 for the £300 loan, the scale of the borrowing does not lead me to conclude reasonably that the was a picture of a person totally reliant on loans such that a further short term loan was irresponsible.

There are none of the signs usually associated with financial difficulties as identified by the Financial Conduct Authority (FCA) such as returned Direct Debits (DD), failure to pay priority bills, deep use of an overdraft, or over indebtedness such that the credit accounts being paid

are an overwhelming sum.

And I've seen two transactions into her account before taking Loan 15 from another of her accounts as the transaction reference bears her name which added up to £5,000. Plus, Miss A transferred from the online bank savings account £2,365 which tells me that the savings account had funds at this stage. Miss A then transferred £7,860 to a company that had nothing to do with gambling. There were funds in other accounts which I have not seen, but Quidie likely would have come to the same conclusion - Miss A was solvent.

Then in July 2024 Miss A transferred a further £4,000 from the savings part to this account. So, I consider that if Quidie had scrutinised further it would not have come to the conclusion that Miss A could not afford these loan repayments. I plan not to uphold the complaint for Loan 15.

Loan 16

A month after paying off Loan 15 on 9 September 2024 within a couple of weeks of taking it and with no repayment issues, Miss A applied for Loan 16 for £300 on 4 October 2024. And with no issues on Loan 15 I do not consider that Quidie needed to do more than it did after it had obtained her payslips and applied the other data it had been using. I plan not to uphold her complaint on Loan 16.

This loan 16 was repaid with no issues on 24 October 2024, early and a couple of weeks after getting it.

Loan 17

This loan was applied for on 4 November 2024, and I do not know how much the initial application was for. And I say this because the email correspondence shows that Quidie asked Miss A for payslips and/or bank statements but then offered her a lower sum of £300 repayable over four months whereas usually it was three months.

Having reviewed the CRA Quidie had obtained, her overall debt had reduced a great deal. So Quidie must have considered that it was confident to lend to her £300. In light of the overall good repayment history for the previous recent loans, a good payslip figure and it being a low value loan application of £300 for a short term, then I do not consider it needed to do more. I plan not to uphold the complaint about Loan 17.

In the circumstances, the loans for which I consider a fair and reasonable outcome to be upheld are loans 9 and 10.

After this first provisional decision was issued, both parties responded. Quidie agreed to the outcome. Miss A sent us a lot more documentation and explanations surrounding her finances at the time. A summary of Miss A's submissions was that she maintained that Quidie ought not to have lent to her from Loan 2 onwards. So, I issued a second provisional decision having reviewed all of Miss A's submissions. That is duplicated here for ease.

What I provisionally decided on 11 December 2025 – and why

This is a **second provisional decision** and is to be read alongside that earlier provisional decision.

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've added Loan 11 to the uphold of the complaint.

Miss A has sent me multiple documents to substantiate and illustrate her financial situation. I have read all the information and explanations Miss A has sent to me. While I have considered this, I'm not going to refer to all of it in detail. This is partly to protect Miss A's privacy, and I also don't think I need to refer to everything to say why I'm making my decision. Whilst I want to reassure Miss A that I've considered everything she has provided, I'll concentrate on the main issues raised.

Miss A says she moved out of her parents' home in October 2024 which was almost at the end of the lending relationship and so I don't consider that has much bearing on the loan applications.

Miss A says that she was gambling heavily and has now received help and assistance and that was good to read.

Miss A has submitted that the regular applications to Quidie for small loans ought to have alerted it to there being an issue with her finances – but I addressed that part in my provisional decision. Our approach on repetitive lending is well settled. It's an approach we apply for very particular circumstances. This did not fit Miss A's circumstances due to the multiple gaps, both large and smaller, in the lending. I addressed each loan in turn.

Miss A has admitted that she hid all of her dealings from friends and family and deliberately transferred money to and from multiple accounts to cover up her gambling. Therein lies the nub – I can't really expect Quidie to have discovered the full extent of Miss A's financial concerns and troubles when from her own admission she was hiding it and was desperate for loans. One example is where Miss A has explained she had borrowed from her sisters and was paying them back and still they were unaware what the money had been for. I can't attribute to a lender knowledge that even Miss A's own family and friends were unaware of. As I have said in my provisional decision, I am not standing in the shoes of a lender. I am looking to resolve a complaint and decide whether Quidie carried out checks that fell within the regulatory framework as reasonable and proportionate.

Having considered it all then up to and including Loan 10 I make no further observations apart from some additional comments for Loans 4, 7 and 8. My original findings set out in my provisional decision apply and stand for loans 1 to 10. And for loans 4, 7 and 8 I make the additional points below. From the new lending chain at Loan 11 I have made some revisions. I plan to uphold Loan 11 and I give reasons why later in my second provisional decision.

First lending chain – Loans 4, 7 and 8

Loan 4 - I invited Quidie to send to me a copy of an I&E it had asked Miss A for at Loan 4. It did not send that, but Miss A has. Her lists of expenditure in that I&E she returned to Quidie demonstrated that Loan 4 was affordable. So, my outcome for Loan 4 has not altered. I plan not to uphold it.

At Loans 7 and 8, I did consider that additional checks ought to have been carried out by Quidie. I reviewed the two sets of bank statements we had received from Miss A covering that period leading up to Loan 7 and for Loan 8 as well. I outlined in my provisional decision that:

- I was unclear as to which set of bank account statements Miss A would have sent to Quidie, and I am still of that view. This is, and would have been, an unknown; and
- I divined that one set of bank statements for a high street bank account ending *1162 was the set most likely Miss A would have sent. I explained that this was the one to which the loan funds were credited. But these did not show her income crediting. So, I surmised that another set showing her income would have been required by Quidie as well; and
- the on-line account ending *7788 which did show her salary crediting was the other I reviewed to be fair to Miss A.

I appreciate these assumptions as to bank account statements Quidie may have received from Miss A are speculative. But I maintain that for a £300 loan it would have been disproportionate for Quidie to review any further bank account statements.

Recently, Miss A has sent me details and statements for five other bank accounts. I have not reviewed the additional ones. I don't think its likely either that Miss A would have sent all these to Quidie and/or that Quidie would have been expected to do such a 'transaction trail' across seven bank accounts (these five and the two already referred to) for relatively modest loans. And I repeat what I said earlier that I think it's unlikely Miss A would have been volunteering to Quidie information she'd kept hidden from those closest to her.

I said in my provisional decision that although Miss A was paying off several loans and had taken and paid off loans earlier in the year with other lenders and was applying to Quidie in November 2021 for a small loan (Loan 7), the scale of the borrowing did not lead me to conclude reasonably that it was a picture of a person totally reliant on loans such that a further short term loan was irresponsible. I carried out the same review at Loan 8. And I maintain that view for Loans 7 and 8. I plan not to uphold Loans 7 and 8.

Loans 9 and 10

I upheld the complaint for Loan 9 and Quidie has accepted that. Quidie had already offered to uphold at Loan 10.

Loan 11 onwards – 2023 and 2024.

Miss A has made a valid point about Loan 11. Miss A has pointed out:

'On 8 July 2023 Fernovo declined my application for the 5th time and told me to wait 30 days, which I have attached. However, I was approved for Loan 11 on 2 August 2023 after only 25 days which shows their own rules were not followed.'

I have reviewed the email correspondence with Miss A in July 2023 and early August 2023 and Miss A is correct. A 30 day moratorium period was imposed and yet Quidie proceeded with her application in early August 2023. So, I have altered my view. I consider this to have been a mistake that Quidie even processed the application, and I plan to uphold the complaint about Loan 11.

And I think that Loan 10 was approved on 4 July 2022 despite being within a 30 day moratorium period following a refusal late June 2022 which was the week before. If I am right and that was the reason it decided to uphold Loan 10, then I'd expect Quidie to accept this new uphold for Loan 11 as well.

Miss A had to enter two repayment plans to repay Loan 11 which was repaid late on 8 November 2023. This would be an indication of difficulty in repaying.

Then there was a two and a half month gap before Miss A applied to Quidie for Loan 12. And as Quidie is aware, gaps where customers do not approach it for loans does not lead a lender to consider that the applicant was a person reliant on loans and therefore requiring additional scrutiny.

I've reviewed my findings for Loan 12 and my view remains the same. I make no alterations for loans 13 and 14.

Loan 15

At Loan 15, I outlined in my first provisional decision that Quidie ought to have done more checks and yet I was limited in the information I had from Miss A. I was able to use bank account statements for the account ending *7788. She's sent me more. I now have the high street bank account statements for the account ending *1162 which I did not have before. So, in fairness to Miss A and to Quidie I have reviewed the same accounts used for the other loans where I've decided that additional checks were required – loans 7 and 8. These were the high street bank account ending *1162 and the online bank account ending *7788. For a period of two to three months leading up to Miss A's application for Loan 15 then the account *1162 demonstrates multiple gambling and betting transactions. I consider that it would have been likely Quidie did obtain this information had it done a review at Loan 15 as I consider it ought to have done.

But as I have already pointed out – I cannot be clear as to which set of bank account statements Miss A would have sent to Quidie. And even if Quidie saw these statements they would have been the first time that any gambling transactions had been presented to it. And that need not necessarily have indicated that Miss A had a problem.

In my first provisional decision, I said I'd seen two transactions into her account (account *7788 which was the only one I had at the time) in late June 2024 from another of her

accounts as the transaction reference bears her name. They added up to £5,000. Plus, Miss A transferred from the online bank savings section of the account £2,365 which tells me that the savings account had funds at this stage. Miss A then transferred £7,860 to a company that had nothing to do with gambling. Recently Miss A has said that the £7,860 was to pay '*money I owed to someone*' but it was paid to a company which had something to do with cars.

Then in mid - July 2024 Miss A transferred a further £4,000 from a savings part to this account into the main part of the account. And used that money to pay for a car at a car auction site. So, I consider that if Quidie had scrutinised further it would have come to the conclusion that Miss A could afford these loan repayments.

These do not present to me as a person so overwhelmed with debt that she was unable to pay a modest loan.

I said in my first provisional decision that clearly, there were funds in other accounts which Miss A had been able to use to repay other third parties, and Quidie likely would have come to the same conclusion - Miss A was able to repay the £300 loan.

Now Miss A has sent me copies of five other accounts. Three of which are marked up as 'Spend and Save', 'Savings Pot', and 'Savings'. I just can't consider it reasonable or proportionate that Quidie would have been expected to have traced transactions and identify all of Miss A's financial affairs. It's beyond what the regulatory requirements would expect for a £300 loan. And as my remit is fair and reasonable, I consider it would be unfair to determine that Quidie ought to have done that. It amounts to forensic accountancy which would not be considered a proportionate check in my view.

Loans 16 and 17

My outcome for Loans 16 and 17 do not alter.

Revised provisional decision.

I plan to uphold the complaint for loans 9 and 10 (already accepted by Quidie) plus Loan 11.

Putting things right – what I now plan to ask Quidie to do [not duplicated here]

My second provisional decision

My second and revised provisional decision is that I plan to uphold the complaint in part and I plan to direct that Quidie Limited trading as Fernovo does as I have outlined in the putting things right part of the provisional decision.

As I am aware that this complaint has been ongoing for a long time, **I intend to issue my final decision along these lines on 30 December 2025.**

This is the end of the duplicated provisional decisions.

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.

Since the second provisional decision was issued I have not heard from Quidie. Miss A did make further observations, all of which I have read. I do not comment on each and every one as I have addressed the points in my earlier two provisional decisions. Miss A has not presented anything new. I do reply to these:

- Before my first provisional decision, I asked Quidie for all of the correspondence between Miss A and itself. I read it all. These demonstrated that on multiple occasions Miss A was asked for additional information including payslips and/or bank

account statements and on one occasion was asked to complete and I&E (at Loan 4). So, Miss A had ample opportunity to present to Quidie the correct and full financial picture. Quidie demonstrated it knew it needed to ask for more. I have addressed all these points in my earlier two decisions and I repeat the points here to remind Miss A of these multiple requests from Quidie and to remind her that what she chose to send to Quidie when asked was the minimum and not necessarily the whole picture that she's describing to us now.

- Miss A has said I may have applied an incorrect test – *'my family's lack of awareness of the underlying cause should not be determinative of whether the lending was affordable.'* I did not use it as a 'determinative test'. I included this as a way to explain – in a more human way - why I could not reasonably expect Quidie to have known about Miss A's gambling, and I applied the regulatory requirements to Quidie's approach to her applications for loans.
- I've read Miss A's views on the lending gaps and I have explained twice now why I have taken the approach I have in respect of the lending relationship continuity points. I do not repeat them here.
- Miss A's submissions on the lending and what in her view amounts to an obvious pattern to which Quidie ought to have reacted, I have addressed at length in the previous two decisions.
- It is not a regulatory requirement for a lender to review bank account statements and I have given reasons on each of the loans as to what I considered were proportionate checks and/or what Quidie would have seen if it had carried out further checks which might have included review of bank statements. And I repeat the points made earlier – Quidie asked Miss A multiple times for more information about her finances and so I consider Miss A has had multiple opportunities to tell it more. But she chose not to.

Having reconsidered it all again, including all of Miss A's recent submissions and comments, for the reasons set out in my earlier two provisional decisions and set out above, my final decision is I uphold the complaint for Loans 9, 10 and 11.

Putting things right

I understand that all the loans have been repaid. Quidie needs to refund the interest and charges Miss A paid for **Loans 9, 10, and 11**. It then needs to add 8% simple interest* on those sums calculated from the date the money was paid to it to the date of settlement.

*HMRC usually deducts tax from any interest sums and so if Miss A wants a certificate showing this deduction Quidie ought to give her one.

Quidie needs to amend Miss A's credit file for loans 9, 10, and 11 removing any adverse data if applicable.

I've considered whether the relationship between Miss A and Quidie might have been unfair under section 140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed should be carried out for Miss A results in fair compensation for her in the circumstances of this complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My final decision

My final decision is that I uphold the complaint in part and I direct that Quidie Limited trading

as Fernovo does as I have outlined in the 'putting things right' part of the decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 27 January 2026.

Rachael Williams
Ombudsman