

The complaint

Mr S complains Savvy Loan Products Limited trading as Tick Tock Loans (“Tick Tock”) gave him a loan without carrying out sufficient affordability checks. Had better checks been made it would’ve seen his income fluctuated and so this loan was unaffordable.

What happened

Mr S was granted one loan of £450 in October 2025 which was to be repaid through six monthly instalments of £124.93. Based on the most recent statement of account an outstanding balance remains due.

Following Mr S’s complaint, Tick Tock considered it and didn’t uphold it. Mr S referred his complaint to the Financial Ombudsman where it was considered by an Investigator who also didn’t uphold the complaint because they thought Tick Tock had carried out proportionate checks which showed the loan to be affordable.

Mr S didn’t agree with the outcome saying that Tick Tock ought to have verified his income before lending to him and at the moment he currently doesn’t have an income. These points didn’t change the Investigator’s mind and as no agreement could be reached, the case has been passed to me for 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.

We’ve set out our general approach to complaints about this type of lending - including all the relevant rules, guidance and good industry practice - on our website.

Tick Tock had to assess the lending to check if Mr S could afford to pay back the amount he’d borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. Tick Tock’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 Mr S’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 Tick Tock should have done more to establish that any lending was sustainable for Mr S. These factors include:

- Mr S 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);
- Mr S having a large number of loans and/or having these loans over a long period of time (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable);
- Mr S coming back for loans shortly after previous borrowing 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 Mr S. The Investigator didn't consider it reached the point in the lending relationship where this applied and I agree, as there was only one loan.

Tick Tock was required to establish whether Mr S could *sustainably* repay the loan – not just whether he technically had enough money to make his repayments. Having enough money to make the repayments could of course be an indicator that Mr S was able to repay his loan sustainably. But it doesn't automatically follow that this is the case.

I've considered all the arguments, evidence and information provided in this context, and thought about what this means for Mr S's complaint.

Mr S declared a monthly income of £1,700. Tick Tock didn't just rely on what it was told and cross checked this information with information obtained from the credit reference agency. Tick Tock was told there was a high degree of accuracy, so it was reasonable for it to have used this income figure for its assessment bearing in mind this was a first loan. This check was proportionate and it didn't need to look any this any more closely, such as obtaining a payslip – for example.

Mr S says at the time his income situation was more precarious, he had an income but also received post graduate student finance that was earmarked for other expenses such as fees and rent. But that information wasn't shared with Tick Tock and given it cross checked the income there wasn't anything to suggest to Tick Tock it couldn't rely on what it was told.

Mr S also declared monthly outgoings of £1,142 which included his existing credit commitments and day to day living costs. Tick Tock used national averages as well as information from Mr S's credit file to check this information and having done so, it increased his living costs. For its affordability assessment it used monthly outgoings of around £1,277 and to this it added a further buffer of around £150.

I think it was reasonable, for a first loan for Tick Tock to have relied not just on what Mr S declared but also the information it received from the credit reference agencies as well as national averages to show that there was a sufficient amount of disposable income.

Before the loan was approved, Tick Tock also carried out a credit search, and it has provided the Financial Ombudsman with a copy of the results it received from the credit reference agency.

Tick Tock was entitled to rely on the information it was given by the credit reference agency. This does mean the information Tick Tock may receive could be different to what Mr S can see in his full credit report. I've therefore looked at the results Tick Tock received from the credit reference agency to see whether there was anything contained within it, that would've either prompted it to have carried out further checks or possibly have declined Mr S's application.

Tick Tock was told that Mr S had around £3,700 of existing debt but didn't have any defaulted accounts, types of insolvency or County Court Judgements. Tick Tock knew that he had current accounts, a budgeting account, utilities, communication accounts and a number of credit card accounts.

These active accounts had generally been well paid, there was some evidence of missed payments and a repayment plan within the previous six months. I have thought about

whether Tick Tock knowing about this ought to have led to it doing more checks. But considering Mr S only took one loan from it – and the rest of the checks were proportionate I'm persuaded that overall, Tick Tock could've fairly concluded that Mr S wasn't likely having significant financial difficulties at the time.

Mr S has said at the time he had an existing payday loan with another provider, but this loan didn't appear in the credit check results Tick Tock was provided with. As such it didn't, and couldn't, have known about it.

Having looked at all the information Mr S provided as well as the checks Tick Tock carried out, I've seen no reason for Tick Tock to have verified Mr S's circumstances any further such as through bank statements. This means, Tick Tock's checks went far enough and the checks demonstrated Mr S would be in a position to repay the loan. As such I am not upholding his complaint.

I appreciate the outcome is going to be disappointing for Mr S considering what he's told us about his financial situation now. But he may wish to speak to Tick Tock to discuss this to see what other help and support it can provide. I say this because there is an outstanding balance that will need to be paid but Tick Tock will need to be mindful of Mr S's current financial position and I would remind Tick Tock of its obligation to treat Mr S fairly and with forbearance.

Finally, I've also considered whether the relationship 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 Tick Tock lent irresponsibly to Mr S or otherwise treated him 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

For the reasons set out above I am not upholding Mr S's complaint.

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

Robert Walker
Ombudsman