

The complaint

Miss W complains that Inclusive Finance Limited trading as Creditspring was irresponsible in its lending to her and that she was not adequately assessed for the credit.

What happened

Miss W applied for credit with Creditspring and had loans approved as follows:

Membership Number	Drawdown Number	Drawdown Amount	Drawdown Date	Monthly Repayment Amount	Monthly Membership Fee
1	1	£300	February 2024	£50	£10
	2	£300	May 2024	£50	£28
2	1	£1,000	August 2024	£166.70	£28
	2	£1,000	November 2024	£166.70	£28
3	1	£1,000	May 2025	£166.70	£28
	2	£1,000	July 2025	£166.70	£28

Miss W says that she was not adequately assessed for the credit for the loans from membership number two onwards and that the lending decisions from August 2024 were irresponsible. She says that the repayments were unaffordable and that issues visible on her credit file should have raised concerns, but she thinks Creditspring continued to approve advances without carrying out proper reassessments and that this worsened her overall debt position.

Creditspring reviewed Miss W's complaint but did not agree that it was irresponsible in providing the loans. It says that it is satisfied that appropriate checks were made, proportionate to the amount of credit being approved. Although it didn't accept that it had done anything wrong, it made a gesture of goodwill to Miss W in full and final settlement of the complaint. But Miss W did not accept and referred the complaint to our service.

Our investigator reviewed matters thought that Creditspring had been unfair in agreeing one of the loans to Miss W. Miss W agreed with this, but Creditspring didn't respond.

Because a response couldn't be obtained from Creditspring, the complaint has 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.

Our approach to considering complaints about unaffordable and irresponsible lending is set out on our website. I've had this approach in mind when considering what's fair and reasonable in the circumstances of this complaint. While I have taken into account the

relevant laws and regulations, my decision is based on what I consider fair and reasonable given the circumstances of this complaint.

As our investigator has explained, before providing credit, lenders need to complete reasonable and proportionate affordability checks. There isn't a set list of checks a lender is required to carry out, it just needs to ensure the checks are proportionate when considering things like: the type and amount of credit being provided, the size of the regular repayments, the total cost of the credit and the consumer's circumstances.

Miss W had six drawdown amounts with Creditspring across three memberships, and I've referred to these as loans one to three, to correspond with the membership numbers.

I can see that, for all three loans, Creditspring asked Miss W for information about her income and outgoings, including her existing debt payments. It also carried out a credit check to obtain details about her existing credit commitments, such as recent payment history and monthly repayment amounts, and used this credit reference agency (CRA) data to validate some of the figures declared by Miss W, such as her existing debt payments. It considered her income and outgoings as well as completing a credit check, and, whilst the debt repayment figures that Miss W declared didn't appear to be accurate, it was able to use the correct figure from the CRA data when assessing whether she could afford the loans.

So, it follows that I think that the checks Creditspring did before each loan were proportionate, compared to the amount it was offering to lend to Miss W.

But it doesn't end there. I need to look at whether the checks that Creditspring carried out show that the lending decisions it made in respect of Miss W were fair and whether the lending was affordable and sustainable for her.

To do this, I've looked at each loan in turn.

Loan one

I can see from Creditspring's checks that Miss W declared a monthly income of £2,563 and rent of £340. She also declared outgoings of up to £199 for utilities, £199 for food, £99 for transport, and £199 for debt. However, Creditspring found her unsecured debt repayments from CRA data to be £984 a month so I have used that amount to calculate a more conservative figure for her disposable income.

I have deducted the total outgoings Creditspring found from the income Miss W declared. That would've left Miss W with £742 a month. I think that's enough to afford the repayments of £50 plus the membership fee of £10 each month, plus a generous buffer for emergencies, without risking putting Miss W into financial difficulty. So, I'm persuaded that the information Creditspring obtained shows it acted fairly by accepting the first loan application.

Loan two

This time, Miss W declared a monthly income of £2,500 and rent of £700. She declared outgoings of up to £99 for utilities, £99 for food, £99 for transport, and £799 for debt. Although she did declare a higher debt figure this time, Creditspring found her unsecured debt repayments from the CRA data to be £1,006 a month so I have used that amount to calculate a more conservative figure for her disposable income.

Deducting the total outgoings Creditspring found from the income Miss W declared, I have found that this would have left Miss W with £497 a month. I think that's enough to afford the repayments of £166.70 plus the membership fee of £28 each month, still leaving a reasonable buffer for emergencies, without risking putting Miss W into financial difficulty. So, I'm persuaded that the information Creditspring obtained shows it acted fairly by accepting the second loan application as well.

Loan three

For this loan, Miss W declared a monthly income of £2,600 and rent of £700. She also declared outgoings of up to £199 for utilities, £199 for food, £99 for transport, and £999 for debt. This time, Creditspring found her unsecured debt repayments from the CRA data to be £1,215 a month, so once again I have used that amount to calculate a more conservative figure for her disposable income.

Deducting the total outgoings Creditspring found from the income Miss W declared, I have found that this would have left Miss W with £188 a month. This is not enough to cover the repayment of £166.70 plus the membership fee of £28 each month and does not leave any buffer for emergencies. Creditspring also knew that Miss W had fallen into arrears on her existing debt with them in April 2025 as they had sent her a letter at this time, so they had a clear indication that she had been in financial difficulty and that further borrowing would have made her repayments more difficult.

Based on what I've reviewed for loan three, while I think Creditspring completed reasonable and proportionate checks, it had obtained enough information through these that showed it was more likely than not that Miss W would be unlikely to sustainably repay the loan. So, it acted unfairly by approving her application for loan three and shouldn't have provided her with that loan.

I've considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I'm awarding in this case, as set out below, results in fair compensation for Miss W in the circumstances of this complaint. I'm therefore satisfied, based on what I've seen, that no additional award would be appropriate in this case.

Putting things right

As I don't think Creditspring ought to have opened the account for loan three, I don't think it's fair for it to be able to charge any interest or charges under the credit agreement. But I think Miss W should pay back what she borrowed. Therefore, in respect of loan three, Creditspring should:

Add up the total repayments Miss W has made and deduct these from the total amount of money Miss W received.

a) If this results in Miss W having paid more than she received, any overpayments should be refunded along with 8% simple interest (calculated from the date the overpayments were made until the date of settlement). † Creditspring should also remove all adverse information regarding this account from Miss W's credit file.

b) If any capital balance remains outstanding, then Creditspring should arrange an affordable and suitable payment plan with Miss W. Once Miss W has cleared the balance, any adverse information in relation to the account should be removed from her credit file.

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

My final decision

It is my final decision that I partially uphold Miss W's complaint against Inclusive Finance Limited trading as Creditspring.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 24 March 2026.

Hannah Poulton
Ombudsman