

The complaint

Around August 2023 Hastings Insurance Services Limited trading as Hastings Direct provided Mr W with a £1,000 loan. It had a 12-month term, APR 18.60% and the monthly repayments were £91.30. The total amount repayable was £1,095.47. Mr W says the loan was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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 unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Mr W's case.

I've decided the loan was provided fairly because:

- I think the checks Hastings Direct did before providing the loan were reasonable and proportionate given the loan amount offered and what they knew about Mr W's financial situation.
- Hastings Direct verified Mr W's income during their checks and took reasonable steps to determine Mr W's non-discretionary outgoings including his credit commitments. Also, the credit checks didn't show any recent adverse information being reported, and suggested Mr W was managing his accounts well.
- I don't think that there was anything immediately obvious in the information that Hastings Direct had, including Mr W's existing credit, which meant they shouldn't rely on it. So, I don't think Hastings Direct needed to have asked Mr W to provide further evidence in support of his income and expenditure such as bank statements, before providing him with the loan in this instance.
- Based on the information Hastings Direct gathered and what they knew about Mr W's circumstances, there was nothing to suggest he was unlikely to be able to sustainably repay what he was being lent.
- I don't think Hastings Direct acted unfairly in any other way.

This means I don't think Hastings Direct did anything wrong when they provided the loan to Mr W.

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

Hastings Direct lent irresponsibly to Mr W or otherwise treated him unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mr W hoped for. But for the reasons above, I'm not asking Hastings Direct to do anything differently.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 April 2026.

Anne Scarr
Ombudsman