

## **complaint**

Mr H complains that Trusted Cash Limited (trading as Trusted Quid) gave him loans that he couldn't afford to repay.

## **background**

Mr H was given two loans by Trusted Quid. Both loans were for £250 and due to be repaid over the following six months. His first loan was taken in September 2016, and repaid later that month. His second loan was taken in January 2017 and repaid the following June.

Mr H's complaint has been assessed by one of our adjudicators. She thought that the checks Trusted Quid had done before lending to Mr H had been sufficient. And that it seemed from those checks that Mr H was able to repay his borrowing. So she didn't think the complaint should be upheld.

Mr H didn't agree with that assessment. So he has asked, as he is perfectly entitled to, that his complaint be decided by an ombudsman.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've also taken into account the law, any relevant regulatory rules and good industry practice at the time the loans were offered.

Trusted Quid was required to lend responsibly. It needed to make checks to see whether Mr H could afford to pay back each loan before it lent to him. Those checks needed to be proportionate to things such as the amount Mr H was borrowing, and his lending history, but there was no set list of checks Trusted Quid had to do.

Trusted Quid has told us about the checks it did before lending to Mr H. It asked him for details of his income, and his normal monthly expenditure. And it says it checked his credit file before each loan too. Trusted Quid hasn't been able to provide us with the results of those credit checks, but I'm not aware of any adverse information such as defaults or county court judgements that should have caused additional concerns to the lender.

Both of the loans Mr H took were due to be repaid over six months. So that means the monthly payments he needed to make were much smaller than if he'd taken a normal payday loan. But of course he was committing to making those repayments over a longer period.

The amount that Mr H asked to borrow for each loan was relatively small compared to the income he declared to Trusted Quid. And his repayments appeared to be easily affordable compared to his disposable income. Mr H successfully repaid his first loan within just a few weeks of borrowing. And there was then a gap of over four months before he asked Trusted Quid for another loan. So taking all this into account I think the checks Trusted Quid did before giving Mr H each loan were proportionate. I don't think it was wrong to give him either loan.

I appreciate that this decision will be disappointing for Mr H. He says that his financial situation was very difficult at the time, and that he was gambling heavily. But this wasn't something that he told Trusted Quid when he asked for the loans. And I don't think it was something that what I consider to be proportionate checks would have discovered. I think it was entirely reasonable for Trusted Quid to base its assessment on the information Mr H provided.

**my final decision**

For the reasons given above, I don't uphold the complaint or make any award against Trusted Cash Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 May 2018.

Paul Reilly  
**ombudsman**