

## **complaint**

Mr D agreed a number of payday loans with Casheuronet UK LLC, trading as Quick Quid. He complains that Quick Quid were irresponsible in agreeing these loans. He says the loans have resulted in him being in financial difficulties. He wants Quick Quid to write off his debt to it, and to refund the interest and other charges he has paid on his loans.

## **background**

Mr D initially complained to Quick Quid in January 2015. It responded to say:

- Its loan application process involved affordability checks that accommodate current regulatory policies
- Mr D's account had been placed into a temporary hardship status
- But his complaint had not been upheld

Mr D referred his complaint to us. He also supplied to us up-to-date copies of his credit file and bank statement, and copies of bank statements for the period over which his loans with Quick Quid had been agreed.

Our adjudicator thought the complaint should be upheld:

- She reviewed Mr D's bank statements and credit file
- She said that, although Mr D did not appear to be 'rolling over' his loans, he had agreed a large number of loans with Quick Quid between 2010 and 2013
- She drew attention to guidance on irresponsible lending from the Office of Fair Trading
- She concluded that Quick Quid had not performed adequate affordability checks, and that the loans it had agreed with him were not affordable

Our adjudicator recommended that Quick Quid should refund all interest and charges Mr D had paid on his loans (plus interest). She also recommended that Quick Quid should remove any records of these loans from Mr D's credit file. But she did not recommend that Quick Quid should write off any remaining balances on Mr D's loan accounts with it.

Because Quick Quid did not respond to our adjudicator's conclusion and recommendations, the complaint was passed to an ombudsman for review. Mr D responded saying that he had no further points or information he wanted the ombudsman to consider.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where evidence is incomplete, inconsistent or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

Quick Quid has not supplied evidence to support its statement that its loan application process involves affordability checks that accommodate current regulatory policies. Even if the process is fit for purpose in relation to current regulatory policies, Quick Quid has not supplied evidence to show that it was applied correctly to Mr D's loan applications.

It appears, from the review by our adjudicator of evidence supplied by Mr D, that the loans were not affordable. In the absence of evidence to the contrary, and on balance, I find that

Quick Quid did not fully assess affordability, before it agreed loans with him. This means that I have come to the same conclusion as our adjudicator, for the same reasons.

I agree with our adjudicator that Quick Quid should refund all interest and other charges applied to Mr D's loan accounts, but that the remaining balances should not be written off. I also find that any adverse information relating to these loans on Mr D's credit file should be removed.

### **my final decision**

For the reasons explained above, my final decision is that I uphold this complaint. In full and final settlement of it, I order Casheuronet UK LLC (trading as Quick Quid):

1. To refund to Mr D all interest and other charges applied to accounts, which relate to loans agreed with him from 2010 onwards, plus interest at 8% per annum simple from when these charges were applied to the date of settlement
2. To remove any adverse information relating to these loans recorded on Mr D's credit file

If Quick Quid considers it has to deduct tax from the interest element of my award, it should send Mr D a tax deduction certificate when it pays him. He can then use that certificate to try to reclaim the tax, if he is entitled to do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 2 November 2015.

Roy Mawford  
**ombudsman**