

complaint

Mr M complains Casheuronet UK LLC lent to him irresponsibly and chased him for a payment he'd already made.

background

In July 2012 Mr M took out a £700 installment loan from Pounds to Pocket. This loan was repayable over 360 days. His monthly payment was around £100.

In December 2012 Mr M told Pounds to Pocket that he was in financial difficulties and was going to enter into a debt management plan. Pounds to Pocket says it agreed a reduced payment plan with Mr M and suspended charges and interest.

In July 2015 Mr M says he received a text from Pounds to Pocket chasing him for around £500. He complained saying that he'd paid this off. He subsequently complained that it had lent to him irresponsibly.

Pounds to Pocket investigated Mr M's complaint and apologise for sending him the text saying it had done so in error. It offered to pay him £50 in compensation. Mr M complained to us.

Our adjudicator felt that the steps Pounds to Pocket had taken were fair. Mr M disagreed saying that our adjudicator hadn't dealt with his complaint about irresponsible lending. Our adjudicator didn't feel Pounds to Pocket had lent to Mr M irresponsibly as it had taken details of his income and carried out a number of checks – including verifying his income. Mr M disagreed and asked for his complaint to be reviewed 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 can see that Mr M was £2,000 overdrawn around the time he took out his loan from Pounds to Pockets and that he took out a large number of pay day loans between January and April 2012. I can, however, also see that Pounds to Pockets took details of his income and checked this too. At the time he had a net income of £1,000. His loan was repayable over 360 days and his typical monthly payment was around £100. Taking all this into account, I cannot say that Pounds to Pocket lent to Mr M irresponsibly.

I can see that Mr M was in difficulties by the end of 2012 and that he entered into a debt management plan. He agreed to pay Pounds to Pocket around £35 a month. I accept that this was a substantial payment, but I don't necessarily agree that it was unfair of Pounds to Pocket to default him and suspend charges and interest. In any event, Pounds to Pocket has since removed this loan from Mr M's credit file.

I can see that Pounds to Pocket sent Mr M an email in error in July 2015 chasing him for payment. It did, however, deal with this quickly, apologise and agree to pay £50. I feel that this is reasonable.

I agree with our adjudicator, given everything I've just said, that this complaint shouldn't be upheld. I appreciate that this will be disappointing to Mr M who has had other complaints

upheld. These complaints have, however, been about pay day loans and, in any event, each complaint has to be looked at on its merits.

my final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 July 2016.

Nicolas Atkinson
ombudsman