

## **complaint**

Mr W complains that Uncle Buck Finance LLP made short-term lending to him when it shouldn't have.

## **background**

Uncle Buck made one loan to Mr W. He later arranged a debt management plan. He complained that the loan was unaffordable and the lender should write it off.

The adjudicator didn't recommend that the complaint should be upheld. He didn't think that it was wrong for Uncle Buck to lend to Mr W. It was entitled to rely on the information he gave which showed he had enough disposable income to afford the repayment for the loan, the adjudicator said.

Mr W disagrees with the adjudicator's opinion. He says, in summary, that Uncle Buck issued the loan far too easily – and it contributed to a worsening of his health.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Before agreeing to lend to Mr W, Uncle Buck had to check that he could afford to make the repayment. The checks had to be proportionate. There's no set list of proportionate checks. What's proportionate depends on things like – but not limited to – the size of the loan repayments and the information Uncle Buck had about Mr W.

From a copy of the agreement, I see that Uncle Buck made one loan as follows:

24 September 2014   £300

I have no reason to doubt Mr W's statement that he was gambling and taking short-term loans. But – before its loan – Uncle Buck did a credit check. From the results, I can't say that Uncle Buck saw any defaults or anything else which should've caused it to ask more questions in relation to its proposed loan.

Uncle Buck also asked Mr W his monthly income and outgoings.

Uncle Buck recorded Mr W's income as £3,400 and his expenses as a total of £820. His recorded expenses included for example £220 on credit cards or store cards. And the recorded information also included Mr W's personal details and bank details. So I think the figures came from Mr W.

The figures showed that he had disposable income of about £2,500.

That was more than enough to make the repayment of just over £400 to Uncle Buck.

So I don't think the lending was such that Uncle Buck should've asked Mr W about other short-term loans or asked him for copies of bank statements.

I'm satisfied that it did proportionate checks by asking Mr W his income and outgoings.

So I can't say Uncle Buck was wrong to lend to Mr W. I don't find it fair and reasonable to order it to write off the loan or to make any refund or to amend Mr W's credit file.

**my final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against Uncle Buck Finance LLP.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 June 2017.

Christopher Gilbert  
**ombudsman**