

## **The complaint**

Miss A has complained to us about the irresponsible sale of loans given by Loans 2 Go Limited ('Loans 2 Go').

## **What happened**

Miss A has complained about three loans: £700 over a proposed term of 18 months at £159.99 per month in November 2019, £1351.98 over a proposed term of 24 months at £222.63 per month in April 2021 and £300 over a proposed term of 18 months at £61.67 a month in April 2022.

Loans 2 Go thought the lending decisions were reasonable. Miss A didn't agree and brought her complaint to this service. One of our investigators looked at everything provided and thought that this was a complaint that we couldn't uphold. Miss A objected to the outcome reached by the investigator. So, the complaint was referred to an ombudsman for a review.

## **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.

I've read and considered the whole file, but I'll confine my comments to what I think is relevant. If I don't comment on any specific point, it's not because I've failed to consider it but because I don't think I need to comment on it in order to reach what I think is the right outcome in the wider context. My remit is to take an overview and decide what's fair "in the round".

Loans 2 Go will be familiar with all the rules, regulations and good industry practice we consider when looking at a complaint concerning unaffordable and irresponsible lending. So, I don't consider it necessary to set all of this out in this decision. Information about our approach to these complaints is set out on our website.

Miss A's complaint is that Loans 2 Go made loans available that were unaffordable. Loans 2 Go has explained that it relied in part on information that Miss A provided at the times of application to assess affordability. They said they carried out credit searches in Miss A's name to assess Miss A's level of debt at the times of each lending decision and to understand how she had been managing that debt. With that information and using their own scoring metric, Loans 2 Go decided to agree to the three loans Miss A is complaining about.

The Loans 2 Go checks showed that Miss A had only modest amounts of other borrowings both in themselves and when compared to her declared income and expenditure at the times of each lending decision.

And I have noted that Miss A's credit file was reasonably clean at the time of each loan application. When I say this, I mean that Miss A's management of her existing credit showed no recent history of CCJ's, defaults or any late payments. So, the information that Loans 2

Go had presented to it and which it acquired, suggested that at the time the lending decisions were made, Miss A was affording her existing credit.

Having considered the above, I don't think that the information that Loans 2 Go had at the time of the lending decision, would have led them to feel they ought to make more searching enquiries of Miss A's financial situation. So, Loans 2 Go were not put on notice of any reason not to agree any of the loans it agreed to from any of the above.

I have to look at the information that was available to Loans 2 Go at the time it made its lending decisions and not to use hindsight. I have seen insufficient evidence that the other information that Loans 2 Go acquired or had presented to it at the time of the lending decisions, would have led them to think that they were remiss in not checking Miss A's expenditure more closely.

So, having considered all the submissions made in this case, I have seen insufficient evidence to think that the loans Loans 2 Go provided to Miss A were unreasonable.

### **My final decision**

For the reasons given above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 20 December 2023.

Douglas Sayers  
**Ombudsman**