

The complaint

Mr F says Moses Club PLC lent to him irresponsibly. He says the loans were not approved in the right way and no affordability checks were carried out. He thinks Moses shouldn't have lent to him.

What happened

This complaint is about three home collected loans Moses provided to Mr F between July 2019 and December 2019.

loan number	date started	amount borrowed	term (weeks)	date ended
1	24/07/2019	£100	20	11/10/2019
2	01/10/2019	£350	34	outstanding
3	03/12/2019	£250	34	outstanding

Our adjudicator didn't uphold the complaint. Mr F disagreed with the adjudicator's opinion. He said that the information Moses recorded wasn't entirely correct. And as he was struggling financially, he thinks the loans shouldn't have been approved.

As no agreement has been reached the complaint has been passed to me.

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.

We've set out our general approach to complaints about irresponsible lending - including all of the relevant rules, guidance and good industry practice - on our website.

Broadly speaking, this all means that Moses needed to take reasonable steps to ensure it didn't lend irresponsibly. In practice, this means it should have carried out proportionate checks to make sure Mr F could repay their loans in a sustainable manner. Additionally, there may come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable.

Applying this to the circumstances of this particular complaint, I have reached the same outcome as our adjudicator, for essentially the same reasons. I've decided not to uphold Mr F's complaint and I've have explained why below.

For loan 1 Mr F needed to repay £7.50 per week, this increased to £17.50 for loan two then reduced to a weekly repayment of £12.50 for loan 3.

I've seen a record of the information that was recorded about Mr F's financial circumstances when he completed his loan applications. It was noted that Mr F had a weekly income of between £300 and £340. And his expenses were between £212 and £245. So, it would have

been reasonable for Moses to think that the loans were affordable for Mr F based on the information that he provided.

I haven't seen any further information that shows its likely Moses was made aware of any financial problems Mr F might've been having. Or anything that would've prompted it to investigate his circumstances further.

Mr F says that the information Moses collected may not have been entirely accurate. But the amounts that Moses recorded at the time of sale don't seem unreasonable and the other sources of information that Moses used, such as the credit reference agency data, tend to support it. So, I think it was reasonable for Moses to rely on the information it obtained based on what Mr F told it and the fact this was early on in the lending relationship.

So overall, in these circumstances, I think the assessments Moses did for loans 1 to 3 were proportionate. I think Moses' decisions to approve these loans was reasonable and I'm not upholding Mr F's complaint about them.

My final decision

For the reasons set out above, I don't uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 24 February 2021.

Andy Burlinson
Ombudsman