

## **complaint**

Mrs L complains WDFC UK Limited (trading as "Wonga") didn't carry out sufficient affordability checks before lending to her.

## **background**

Mrs L took out a number of payday loans from Wonga between December 2011 and June 2012. She says she was desperate at the time and depressed.

In 2016 Mrs L complained to PDUK saying that it had lent to her irresponsibly. Wonga investigated Mrs L's complaint but didn't uphold it. Wonga said that it had already written off her June 2012 loan. Mrs L was unhappy with Wonga's response and so complained to us.

Our adjudicator agreed that Wonga hadn't carried out sufficient affordability checks but didn't recommend that Wonga do more as it had already written off more than £2,000. Our adjudicator felt that was more than the charges and interest Wonga would have applied to her loans. Our adjudicator did, however, recommend that Wonga removed Mrs L's other loans from her credit file. Wonga didn't respond, so I was asked to consider this complaint.

## **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 Mrs L took out nine payday loans from Wonga between December 2011 and June 2012. Mrs L has told us that she had left a violent relationship and had moved to another part of the country. She's told us that she needed to buy essential items for her children.

I've seen Mrs L's statements and can see that her finances were very tight. I can also see that Wonga did limited checks before agreeing to lend to Mrs L. Her first three loans were all for £300 or more. I would have expected Wonga to do more checks in the circumstances. Had it done so, I agree with our adjudicator that Wonga would have concluded that the loans were unaffordable.

Wonga has written off the final loan that Mrs L took out. It wrote off more than £2,000. As that is more than the interest and charges it would have applied to her other loans, I agree it wouldn't be fair to ask it to write off more. But it would be fair to ask Wonga to remove the rest of Mrs L's loans from her credit file. So that's what I'm going to require it to do.

## **my final decision**

My final decision is that I require WDFC UK Limited to remove the loans it gave to Mrs L from her credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 15 August 2016.

Nicolas Atkinson  
**ombudsman**