

complaint

Mr T complains that WDFC UK Limited (trading as Wonga.com) should have warned him that taking out its payday loans might damage his credit rating.

background

Mr T took out a number of loans from Wonga. He says this caused two other banks to decline to extend his borrowing.

The adjudicator did not recommend that the complaint should be upheld. He concluded that it would not be reasonable for Wonga to try to give general advice about the impact its lending might have on an individual's credit reference file.

Mr T disagrees with the adjudicator's opinion. He asks for a review.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I am satisfied that, in order to get loans from Wonga, Mr T agreed to its terms and conditions. I accept that these included a term that Wonga would give information to credit reference agencies.

Mr T has acknowledged that it is reasonably foreseeable that short term lending has an impact on an individual's credit file. Therefore I do not consider that Wonga was under a duty to give him a warning to that effect.

I see that the adjudicator suggested that Mr T provide us with a copy of his credit file but he has not done so. I draw an inference that there are other issues affecting Mr T's credit rating. Therefore I am not persuaded that the details of the Wonga loans caused the other banks not to extend further credit to Mr T.

my final decision

For the reasons I have explained, my final decision is that I do not uphold this complaint.

Christopher Gilbert
ombudsman