

The complaint

Mrs J is unhappy that Lendable Ltd haven't provided information to her that she's requested from them.

What happened

In September 2018, Mrs J successfully applied to Lendable for a personal loan, and she received the loan funds later that month. The terms of the loan included that Mrs J would make monthly payments of £307.52 for 48 months. Mrs J made the contractually required monthly payments until January 2020, at which time she began making payments of £150 per month. These lower monthly payments continued until May 2022, after which time Mrs J didn't make any further payments towards the loan.

Lendable continued to liaise with Mrs J about the outstanding balance of the loan, which at that time was over £6,500, and in March 2024 they sent a default notice to Mrs J. In response, Mrs J wrote to Lendable and explained that she was unable to repay the debt at that time but hoped to be able to address the matter in the future. Mrs J asked Lendable to freeze the account balance and not take any further action, and she also asked Lendable to only communicate with her by post moving forwards.

Lendable emailed Mrs J on 7 April and asked for further information about her financial position so that they could better assess what support they might be able to provide to her. Mrs J emailed the further information Lendable had requested the following day. At the same time, Mrs J provided some information about her medical status and asked Lendable to consider writing the remainder of the loan balance off.

Lendable emailed Mrs J on 15 April and asked for more information, including Mrs J's most recent three months of bank statements, so that they could properly consider her request that they write off her loan because of her medical condition. Mrs J responded to Lendable and asked why this further information was required and at the same time raised a Data Subject Access Request ("DSAR"). Lendable then confirmed the receipt of Mrs J's DSAR and confirmed why they required the further information from Mrs J that they had asked for.

Correspondence between Mrs J and Lendable continued into May 2024, both before and after Lendable had fulfilled Mrs J's DSAR via post. On 10 May, Mrs J sent a letter to Lendable asking several questions about her loan.

Because Mrs J was now asking for account information, Lendable couldn't comply with her request because their account security protocols didn't deem posted letter as being a valid way of verifying an identity. Because of this, Lendable sent an email to Mrs J asking them to confirm her request to Lendable via email. And Lendable also sent a later email to Mrs J on 4 June, in which they explained that Mrs J couldn't pass their account security protocols by post. In response to Lendable's emails, Mrs J continued sending posted letters to Lendable, which Lendable continued to be unable to respond to.

In August 2024, Lendable sent an email to Mrs J regarding a review they had undertaken regarding support they could provide to customers in financial difficulty and the made a

credit to Mrs J's loan account to reduce the outstanding balance by approximately £6,000 because of that review. This left the outstanding balance of Mrs J's loan at £638.36.

Mrs J wrote to Lendable again in November 2024, and again Lendable responded via email asking Mrs J to verify her requests via a channel that would meet their security requirements. Mrs J then wrote a further letter to Lendable stating that she didn't know who they were and asking them to provide a copy of the loan contract. Lendable responded by email and explained who they were and that they had been emailing Mrs J in response to the letters they were receiving from her, but which they couldn't act upon because of their account security requirements. Mrs J wasn't happy that Lendable weren't responding to her letters and answering the questions she was asking in them, so she raised a complaint.

Lendable responded to Mrs J's complaint on 6 February 2025 but reiterated that they couldn't respond to the letters Mrs J was sending because they didn't pass their account security protocols and didn't uphold the complaint. However, Lendable did acknowledge that they hadn't responded to Mrs J's complaint in a timely manner, and they apologised to Mrs J for this and reduced her loan balance by £25 as a result. Lendable then defaulted Mrs J's loan shortly afterwards and backdated the date of default to April 2024. Mrs J wasn't satisfied with Lendable's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Lendable had acted unfairly by not responding to Mrs J's posted letters as Mrs J wanted. Mrs J didn't accept the view of this complaint put forwards by our investigator, so the matter was escalated to an ombudsman for a final decision.

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 issued a provisional decision on this complaint on 24 June 2025 as follows:

I won't be upholding the primary aspect of Mrs J's complaint, which is that Lendable haven't responded to the letters that she's sent them. This is because Lendable have explained to Mrs J on several occasions that letters received in the post don't meet their account security requirements. This seems reasonable to me, and I'm satisfied that it's for Lendable to set their requirements in this regard, and also that it's for Mrs J to meet Lendable account security requirements to Lendable's satisfaction.

It's also clear that Mrs J has been receiving Lendable's emails, because she's been responding to them by post – even though Lendable have explained that they can't act on account information requests that Mrs J makes by post. Accordingly, I don't feel that Lendable have acted unfairly in this regard, and I feel that any frustration that Mrs J may feel should fairly be considered as being a result of her own refusal to respond to Lendable via a channel they consider acceptable in regard to their security requirement.

Mrs J is also unhappy that Lendable haven't provided a copy of the loan contract to her that includes her 'wet' signature. But Mrs J applied for the loan online and so signed the loan agreement digitally. Furthermore, a copy of the loan agreement has been provided to Mrs J on several occasions, including when she first took out the loan and most recently by this service. And it isn't in dispute that Mrs J received the loan funds from Lendable.

It also isn't in dispute that Mrs J hasn't made a payment towards the loan since May 2022. And because of this it doesn't seem unreasonable to me that Lendable would have now defaulted the loan and reported that default, along with all instances of prior missed

payments, to the credit reference agencies.

It's my understanding that Lendable have backdated the date of default to April 2024. But given that Mrs J last made a payment to the loan in May 2022, and given that guidance published by the Information Commissioner's Office ("ICO") includes that an account should be defaulted before six months of payments have been missed, I feel that Lendable should fairly backdate the default further, to November 2022 – six months after Mrs J stopped making payments to the loan. Accordingly, I'll be provisionally upholding this complaint on that basis, with my only instruction to Lendable being that they should amend the date of default on their credit file reporting to November 2022.

Ultimately however, I don't consider Mrs J's refusal to correspond with Lendable via a channel that passes their security requirements to be reasonable, and so I won't be provisionally upholding any other aspect of her complaint.

Mrs J responded to my provisional decision and explained that she felt that by not adhering to her request to correspond solely by post, that Lendable had failed to make reasonable adjustments for her as required by The Equality Act 2010.

This service isn't a Court of Law, and so it isn't within my remit or authority to decide whether Lendable have acted in accordance with the law in this regard or not. Accordingly, while I've taken the Equality Act 2010 into account when deciding this complaint – given that it is relevant law – I've ultimately decided this complaint based on what's fair and reasonable, as per the remit of this service. If Mrs J wants a decision that Lendable has breached the Equality Act 2010, then they'd need to go to Court.

Ultimately, it remains my position here that it isn't reasonable for Mrs J to have expected Lendable to have corresponded with her via a channel that they don't deem secure. And it also remains my position that it was for Mrs J to have adhered to Lendable's security requirements, and not vice versa. While I appreciate this may have been difficult for Mrs J, I feel that she could have taken steps – such as authorising a third party to speak for her on her account – that could have resolved this situation.

If it was the case that Mrs J couldn't type or dictate an email, or couldn't speak with Lendable (if only to verbally authorise a third party to speak on her behalf) then it's unfortunately the case that she couldn't meet Lendable's account security requirements at that time. That would have been unfortunate, but I don't feel that it follows from this that Lendable should reasonably have been expected to have relaxed their security requirements, and so I don't feel that it was unfair. Accordingly, it remains my position that Lendable haven't acted unfairly by not responding to the letters that Mrs J sent, other than in the manner they did.

Mrs J also explained that she felt that the compensation Lendable had offered to her for delays in handling her complaint wasn't a fair amount. However, as per the rules by which this service must abide – which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – this service is only able to consider complaints about specified activities, of which complaint handling isn't one. This means that this aspect of Mrs J's complaint isn't one that it's within the remit of this service to consider.

Lendable also responded to my provisional decision and explained that while Mrs J hadn't made a payment since May 2022, she had requested several payment deferrals that constitute an agreement with them such that they felt that only backdating the default to April 2024 was appropriate.

But while Lendable may have provided a series of short term payment deferrals to Mrs J, these collectively add up to a relatively long term arrangement that I'm not convinced was in Mrs J's best interests. And while the suitability of Lendable's actions in this regard isn't a point of complaint raised by Mrs J, I don't feel that Mrs J should be effectively disadvantaged if Lendable did provide payment deferrals over the longer term that should reasonably only have been provided over the shorter term, regardless of the good intentions with which Lendable may have provided those payment deferrals.

It therefore remains my position that November 2022 is a fair date of default, and I'll be upholding this complaint against Lendable on that limited basis only.

Putting things right

Lendable must backdate the date of Mrs J's default to November 2022.

My final decision

My final decision is that I uphold this complaint against Lendable Ltd on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 12 August 2025.

Paul Cooper
Ombudsman