

## **The complaint**

Miss S complains that Lendable Ltd hasn't provided sufficient redress in response to her upheld irresponsible lending complaint. She wants her loan to be written off.

## **What happened**

Miss S was provided with a £4,000 loan by Lendable in March 2024. The loan term was 30 months and the monthly repayments around £214. Miss S complained to Lendable that the loan was unaffordable.

Lendable investigated Miss S's complaint, including reviewing her credit report from the time the loan was approved, how she had managed the loan and the other available data. Based on this review Lendable said that while its affordability criteria were met, the information gathered at the time could have warranted further information requests. Therefore, it upheld Miss S's complaint and said it would remove all interest and charges from the loan so that Miss S was only required to repay the principal amount borrowed and it would remove any adverse information from Miss S's credit file.

Miss S didn't think the resolution offered was sufficient and referred her complaint to this service.

Our investigator was satisfied that the redress offered by Lendable was fair and in line with what we would expect.

Miss S didn't accept our investigator's view. She noted that Lendable had accepted that its checks before lending were insufficient and she said she couldn't afford to repay the principal amount. She said her financial situation at the time clearly showed she couldn't afford this loan and that she was now in severe financial hardship and needing to borrow money to buy food. Miss S wants the loan written off.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a 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.

Miss S's complaint is that the redress offered by Lendable in response to her irresponsible lending complaint isn't sufficient. She wants her loan written off.

I am sorry to hear of the difficult circumstances Miss S is experiencing. I want to assure her that when considering her complaint I have taken all relevant rules, regulations and guidance into account but my decision is based on what I consider fair and reasonable given the unique circumstances of this complaint.

Miss S was provided with a £4,000 loan in March 2024. When assessing irresponsible lending complaints, our usual approach to upheld complaints is to ensure that the business

doesn't benefit from the lending and as such we would expect the business to refund any fees and interest that were charged and remove any remaining fees and interest from the outstanding balance of the loan. This then means that the customer is only required to repay the principal amount borrowed and we would expect the business to work with the customer to agree an affordable repayment plan for this amount. In these cases, we also think it fair that any negative information relating to the upheld loan that has been recorded on the customer's credit file, is removed once the loan has been repaid.

Lendable confirmed in its final response that all interest and charges would be removed from the loan and Miss S would only be required to pay the original amount borrowed, being £4,000. It further said that it would remove any negative information from her credit file. I find this is in line with the actions we would expect Lendable to take (and more favourable in the timing of the removal of the adverse credit data).

Miss S has said while she is now only required to repay the principal amount borrowed, she cannot afford this. I appreciate the comment Miss S has made and given her circumstances we would expect Lendable to work with Miss S to set up an affordable repayment plan. Lendable has noted that payment plans have been set up with Miss S and that at the time it issued its final response a payment plan was in place and that Miss S could get in touch if her circumstances changed. I find this reasonable.

So, while understand Miss S wants her loan written off, as she had the use of the money she received, it is fair that she is required to repay this. While there may be certain unique situations in which a full write off is considered reasonable, in this case, I understand Miss S has been receiving an income and I do not find there are reasons that mean that Miss S would be unable to make any repayments going forward. While these will need to be discussed with Lendable to ensure they are affordable for Miss S, I do not think the circumstances in this case are such that a full write off is required.

So, for the reasons set out above, I do not uphold this complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 12 December 2025.

Jane Archer  
**Ombudsman**