

## The complaint

Mr O complains Gain Credit LLC trading as Lending Stream lent to him multiple times when he could not afford to repay the loans.

Mr O complains as well that after he'd submitted his complaint Lending Stream failed to assist – it did not suspend interest and instead he says he was pressurised into entering a repayment plan which has led to adverse data being left on his credit file.

## What happened

I've set out the lending in this table.

Loan	Approved	Amount	Repayment (rounded)	Status
1	10 October 2023	£300	5 x £107 1 x £63	Repaid early 13 December 2023
2	13 December 2023	£500	5 x £176 1 x £119	Repaid early 20 March 2024
3	9 January 2024	£400	5 x £145 1 x £64	Repaid early 18 April 2021
4	9 March 2024	£330	5 x £120 1 x £59	Repaid early 20 March 2024
5	6 April 2024	£750	6 x £228	Repaid early 19 July 2024
Gap				
6	21 January 2025	£1,250	6 x £415	unknown

Mr O complained on 1 May 2025, Lending Stream issued its final response letter (FRL) on 18 June 2025 giving reasons why it did not uphold his complaint and reminding Mr O he still owed just over £1,474 on Loan 6.

Mr O referred his complaint to the Financial Ombudsman Service and asked for a refund of interest, amendment to his credit file and that any balance be written off. One of our investigators considered it all. The complaint was not upheld and the investigator had reviewed the emails between Mr O and Lending Stream during the complaint investigation and had decided that it had offered Mr O the opportunities to arrange a repayment plan.

Mr O disagreed. He said that he was taking other loans to repay loans which Lending Stream ought to have known about, and *'...the aggressive accumulation of interest during this process, while I waited for resolution, added further pressure and felt deeply unfair.'*

A second view was issued, and it addressed some of Mr O's concerns including the interest point. Mr O remained dissatisfied, so the unresolved complaint was passed to me to decide.

## 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 unaffordable or irresponsible lending on our website and I've taken this into account in deciding Mr O's case.

The six month gap in the lending before Loan 6 does make a difference as to what we'd consider fair, reasonable and proportionate checks. Lending Stream would have been acting reasonably to treat Mr O as a new customer in January 2025.

I've decided the credit was provided fairly because:

- I think the checks Lending Stream did before providing the credit for each loan were reasonable and proportionate given the loan amount and what it knew about Mr O's financial situation; and
- Lending Stream's checks showed that Mr O had enough income to cover his existing credit, his expenditure and the new loan repayments for each one, and Mr O repaid each of the loans early (up to the gap in the lending), adding credence to its affordability assessment; and
- Lending Stream's checks showed that Mr O had no insolvencies, delinquencies or other repayment issues which may have prompted it to have considered doing further checks.
- Based on the information Lending Stream gathered and what it knew about Mr O's circumstances, there was nothing to suggest that Mr O was unable to sustainably repay what he was being lent. This means I don't think Lending Stream did anything wrong when it provided the loans to Mr O.

For Loan 6, a temporary arrangement to repay a little less than the expected monthly instalment was arranged on 17 April 2025: £406 instead of £415.

After Lending Stream had received Mr O's complaint email on 1 May 2025, it responded on 7 May 2025 to acknowledge it and to explain the following:

*We're ready to extend support and offer a suitable repayment plan on your account. To do this, please fill out the attached income and expenditure form and send it to us by responding to this email. What you need to know:*

*Once the repayment arrangement is in place on your account, we won't apply any extra interest or fees to your loan.*

*We have to report the status of your loan to the Credit Reference Agencies at regular intervals. If we set up a repayment arrangement on your account, it will reflect on your credit report.*

Mr O responded to say he did not want a repayment plan or any impact on his credit file but asked for Lending Stream not to impose any further interest or charges on the account while the disputed loan was being investigated. And he asked for a temporary hold on the account. Lending Stream replied to say:

*We are unable to accommodate this request as the Lending Stream product operates on a daily interest basis, with interest rates being adjusted daily. We also recognise your reluctance to opt for a payment plan due to potential implications on your credit file, if you decide to pursue this option later, please complete the income and expenditure form provided in our last email dated 7th May 2025 and return it to us by replying to this email.*

Mr O said:

*As per FCA DISP 1.6.2R and CONC 7.3.4, lenders must treat customers fairly and consider suspending collections or enforcement where a complaint is ongoing and related to financial difficulty or affordability.*

Lending Stream's reply:

*We're not refusing to assist you. If you are unable to manage your repayments, please tell us we can help you setting up the payment arrangement.*

I consider this exchange of emails between the parties in May 2025 clear and Lending Stream were offering to assist in line with the regulatory principles. I've reviewed the CONC and DISP paragraphs Mr O has referred to. I am familiar with them. I consider that Lending Stream acted in a way that complies with the regulatory framework. And I have no evidence to suggest that Mr O was pressurised into taking any repayment plan.

Mr O did not make any further repayments. A Notice of Sums in Arrears (NOSIA) was issued 21 June 2025 for Loan 6 with a Financial Conduct Authority (FCA) information sheet on arrears. Mr O was informed: *'The amount of the shortfall (the payments that you have missed) as of 20-Jun-2025 is £1072.72.'*

It was Mr O's choice either to have his credit file affected by a repayment plan and receive some help himself with interest charges, or for the non-payment of the loan to have affected his credit file. Mr O appears to have chosen the latter. Lending Stream had offered help and had sent the FCA arrears sheet which I have reviewed. It provides lots of advice and links to agencies offering help. And it made it clear that doing nothing was not the best approach.

Mr O has referred to an issue with his Continuous Payment Authority (CPA) which was cancelled by Mr O on 20 June 2025 after he'd received the FRL. Lending Stream confirmed no further payments would be taken. Reviewing the records I have received, no further payments were taken from – the Statement of Account (SOA) I have ends August 2025. Mr O has sent us no evidence of the CPA being used by Lending Stream after he'd cancelled it. From what I have been sent and seen there seems no breach of the CPA authority here.

The latest SOA for Loan 6 shows that the cost of the borrowing had increased to £1,250 which is in line with the FCA's regulations surrounding a cap on the cost of these sorts of High Cost short term loans. So Lending Stream had done nothing incorrect in relation to that.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Lending Stream lent irresponsibly to Mr O or otherwise treated him unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mr O hoped for. But for the reasons above, I'm not asking Lending Stream to do anything to put things right.

### **My final decision**

My final decision is I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 February 2026.

Rachael Williams  
**Ombudsman**