

The complaint

Mr B complains that it was irresponsible for Chetwood Financial Limited, trading as Live Lend, to have made two loans to him. He's being represented in his complaint by a claims management company.

What happened

Mr B entered into a fixed sum loan agreement with Live Lend that he electronically signed in June 2019 for a loan of £3,500. He agreed to make 48 monthly payments of £92.84 to Live Lend to repay the loan, but the loan was repaid in January 2020. Mr B entered into a fixed sum loan agreement with Live Lend that he electronically signed in April 2020 for a loan of £3,500. He agreed to make 59 monthly payments of £89.53 and a payment of £89.33 to Live Lend to repay the loan, but the loan was repaid in July 2021.

Mr B's representative complained to Live Lend about the loans in October 2024. It said that, from a review of Mr B's credit file, it had reason to believe that Live Lend failed to undertake a reasonable assessment of Mr B's creditworthiness prior to entering into the credit agreement in June 2019. It also said that it believed that Live Lend failed to take reasonable steps to assess Mr B's ability to make repayments in a sustainable manner without incurring financial difficulties or experiencing significant adverse consequences.

Live Lend described the checks that it had made before lending to Mr B and said that, from its investigation into his complaint, it was confident that his suitability for the loans was correctly assessed when he made his loan applications. A complaint was then made to this service.

The complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She didn't think that Live Lend was irresponsible to provide the June 2019 loan to Mr B based on what its checks showed to be affordable and there were no indications of him being in financial difficulty at the time to suggest he wouldn't be able to pay. She thought that Live Lend's decision to approve the April 2020 loan was fair as Mr B's affordability, level of indebtedness and management of his existing credit showed he'd more than likely be able to repay the loan. The investigator's recommendation wasn't accepted and a request was made for a decision to be issued by an ombudsman on Mr B's complaint.

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.

Live Lend says that Mr B applied to it for a quote for a loan of £3,500 in June 2019 and that it verified the details that he provided during his application and completed a full credit search and other checks. It says that Mr B had declared his income and given details of his expenditure, which it reviewed alongside his credit file to assess his financial position at the time of the application, which gave it confidence that he'd be able to afford the monthly instalment of £93.03. Mr B had declared a net monthly income of £1,813 and Live Lend says

that it verified his declared income as being evident in his bank account across a twelve month period.

A lender is required to make reasonable and proportionate checks to ensure that any lending that it makes to a customer is sustainably affordable for that customer at the time of the lending. Live Lend obtained information from Mr B about his income and expenditure, it verified the income information that he'd declared and it made a full credit search and other checks. I consider that those were reasonable and proportionate checks in the circumstances of the loan for which Mr B had applied.

Mr B had stated that his housing costs were £384 each month and that his essential living costs were £700. The information that Live Lend had obtained showed that his monthly mortgage repayment was £562 and that the monthly payment for his existing credit commitments was £202. It deducted his stated housing cost of £384, his essential living costs, his payment for his existing credit commitments and a monthly loan repayment of £96 to show that Mr B would have had a disposable income of £431 after the loan was made to him.

The investigator said that Live Lend's checks showed that Mr B also paid £198 each month on a secured loan, but that payment wasn't included in the affordability assessment that it conducted. Even if Live Lend had used the mortgage repayment of £562, rather than the housing cost stated by Mr B, and had included the payment for the secured loan, Mr B would still have had a monthly disposable income of £155. I consider that it was fair and reasonable for Live Lend to conclude, on the basis of the reasonable and proportionate checks that it had made, that a loan of £3,500 with a monthly repayment of £92.84 was sustainably affordable for Mr B at that time.

That loan was repaid in January 2020 when Mr B made a payment of £3,092.72 to Live Lend. That was only seven months after the loan had been made to him and he made all of the loan payments when they became due. Live Lend says that Mr B applied to it for a quote for a loan of £3,500 in April 2020, that it conducted the same checks that it had conducted in June 2019, and that the checks gave it confidence that he'd be able to afford the monthly instalment of £89.53. Mr B had declared a net monthly income of £1,817 and Live Lend says that it verified his declared income as being evident in his bank account across a six month period.

Live Lend obtained information from Mr B about his income and expenditure, it verified the income information that he'd declared and it made a full credit search and other checks. I consider that those were reasonable and proportionate checks in the circumstances of the loan for which Mr B had applied.

Mr B had stated that his housing costs were £340 each month and that his essential living costs were £700 each month. The information that Live Lend had obtained showed that his monthly mortgage repayment was £523 and that the monthly payment for his existing credit commitments was £220. It deducted his stated housing cost of £340, his essential living costs, his payment for his existing credit commitments and a monthly loan repayment of £82 to show that Mr B would have had a disposable income of £475 after the loan was made to him.

The investigator said that Live Lend's checks showed that Mr B was still paying £198 each month on a secured loan and that he was also paying £171 each month on another loan, but those payments weren't included in the affordability assessment that it conducted. She said that those loan repayments would have reduced to Mr B's disposable income to £106. I consider that it was fair and reasonable for Live Lend to conclude, on the basis of the reasonable and proportionate checks that it had made and Mr B's early repayment of the

June 2019 loan, that a loan of £3,500 with a monthly repayment of £92.84 was sustainably affordable for him at that time.

The loan was repaid in July 2021 when Mr B made a payment of £2,898.26 to Live Lend. That was only fifteen months after the loan had been made to him and he made all of the loan payments when they became due. I've carefully considered all that Mr B and his representative have said and provided about this complaint, but I'm not persuaded that Live Lend lent to Mr B irresponsibly. I've also considered whether Live Lend acted unfairly or unreasonably in some other way, including whether its relationship with Mr B might have been unfair under section 140A of the Consumer Credit Act 1974. Having done so, I've not seen anything that makes me think that that was likely to have been the case.

Mr B's representative says that Live Lend should be required to recalculate the loans with the removal of interest, refund any interest and charges to Mr B and remove any adverse information from Mr B's credit file in respect of the loan agreements. Live Lend is required to report true and accurate information about the loans to the credit reference agencies. The loans were repaid, Mr B made all of the loan payments when they became due and I've seen no evidence to show that Live Lend has reported any adverse information about the loans to the credit reference agencies or that the information about the loans that's recorded on Mr B's credit file isn't true and accurate. I find that it wouldn't be fair or reasonable in these circumstances for me to require Live Lend to refund to Mr B any of the interest that he paid on the loans, to remove any information about the loans that it's reported to the credit reference agencies or to take any other action in response to Mr B's complaint.

My final decision

My decision is that I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 December 2025.

Jarrold Hastings
Ombudsman