

## The complaint

Mr R complains that Lendable Limited was irresponsible in its lending to him and that he was not adequately assessed for the credit.

## What happened

Mr R applied for credit with Lendable and had a loan approved as follows:

Date	Amount of Credit	APR	Loan Term	Monthly Repayment
May 2025	£5,000	48.8%	36 months	£240.25

Mr R says that the lending was irresponsible and unaffordable and did not take his full financial circumstances into account.

Lendable investigated Mr R's complaint and said they believe they undertook appropriate checks, which confirmed the loan was affordable and sustainable for Mr R.

Our investigator reviewed matters and didn't think that Lendable had done anything wrong by providing the loan to Mr R and that its checks were adequate with affordability and sustainability established.

Lendable didn't dispute this, but Mr R did. He says that, had Lendable looked at bank statements from the account that the loan was paid into as well as his main account, which it looked at through open banking, it would have seen transactions that he believes are a clear indicator of gambling or high-risk financial behaviour. He provided further information to support his position.

Because an agreement couldn't be reached, the complaint has been 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.

Our approach to considering complaints about unaffordable and irresponsible lending is set out on our website. I've had this approach in mind when considering what's fair and reasonable in the circumstances of this complaint. While I have taken into account the relevant laws and regulations, my decision is based on what I consider fair and reasonable given the circumstances of this complaint.

As our investigator has explained, before providing credit, lenders need to complete reasonable and proportionate affordability checks. There isn't a set list of checks a lender is required to carry out, it just needs to ensure the checks are proportionate when considering things like: the type and amount of credit being provided, the size of the regular repayments, the total cost of the credit and the consumer's circumstances.

Before the loan was approved, Lendable gathered information on Mr R's financial situation, which included declared income and outgoings, which were verified against third party data and through Open Banking access to his main current account, which was granted by Mr R during the application process, and his existing debt repayments.

Mr R declared a net monthly income of £2,843, which Lendable verified against third party data. Mr R also declared monthly expenses of £700, and Lendable took account of monthly repayments of £35.10 on a total existing debt of £1,170. After the monthly loan repayment of £240.25, this leaves Mr R with a disposable income figure of around £1,868. I note that from Mr R's bank statements, his net monthly income is slightly lower than the figure Lendable used, but even using the actual average figure of £2,765.33, this still leaves Mr R with a disposable income of around £1,790.

Lendable also undertook credit checks to look at other financial commitments, payment history, insolvency and delinquency records, County Court judgments and applications for credit.

I can see that there was evidence of a default of £266 which was 10 months prior to the application but there was no evidence of any recent missed or late payments following this. Mr R had settled two accounts prior to application and although he had a credit card account that was in arrangement six months prior to the application, he had since been managing the account well.

I understand that Mr R thinks that Lendable should have gone further in its checks, but businesses are not always obliged to review all bank statements before approving loan applications. Mr R provided access to his main Barclays bank account through Open Banking at the time of application and, although the details of the account he wanted the funds paid into were different, it does not necessarily follow that Lendable should also have made checks on this account, given the Barclays account showed Mr R's monthly income being paid in. CONC 5.2A. states that a lender may take into account statistical data when considering non-discretionary expenditure unless it knows or has reasonable cause to suspect that the customer's non-discretionary expenditure is significantly higher than that described in the data or that the data are unlikely to be reasonably representative of the customer's situation. I cannot see any reason why Lendable should have suspected that this was the case. So, it follows that I do not think that Lendable should have requested further information such as current account statements for an account other than Mr R's main account.

Having looked at the information Lendable took into account, I believe the checks carried out were proportionate considering Mr R's circumstances, the amount and term of the loan and the amount of disposable income available.

But it doesn't end there. I have gone on to consider whether what these checks showed should have raised any concerns that the loan was not affordable or sustainable for Mr R.

Mr R has provided further detail on his financial situation at the time of lending, and I can see from this that the checks undertaken by Lendable did not necessarily reveal the full extent of his circumstances, but this is not a failure by Lendable, as the checks were proportionate to the lending.

The income and expenditure calculation that Lendable carried out showed a healthy amount of disposable income for Mr R, and there was nothing in his credit file that should have raised concerns about the affordability or sustainability of the lending. Therefore, when I also consider the amount and term of the loan, it follows that I think the checks were proportionate - and a fair decision to lend was made in the circumstances of Mr R's complaint.

In reaching my conclusions, I've also considered whether the lending relationship between Lendable and Mr R might have been unfair to Mr R under s140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that Lendable did not lend irresponsibly when providing Mr R with the loans. And I haven't seen anything to suggest that s140A CCA would, given the facts of this complaint, lead to a different outcome here.

So while it'll likely come as a disappointment to Mr R, I won't be upholding his complaint against Lendable for the reasons explained above.

### **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 Mr R to accept or reject my decision before 23 February 2026.

Hannah Poulton  
**Ombudsman**