

The complaint

Mrs B complains that Lendable Ltd rejected her offer of settlement of her loan and failed to offer her any alternative support.

What happened

In December 2021 Mrs B took out a loan with Lendable. The total amount repayable was £9,530.00 over 36 months with repayments of £371.78 per month.

Mrs B experienced a change in her financial circumstances in 2023. In June 2023 she engaged a third-party debt resolution company to contact Lendable with a view to reviewing the monthly payments but says that despite repeated correspondence, Lendable never replied to the third party and continued to apply interest and charges to the loan account.

The account defaulted in August 2024. In April 2025 Mrs B contacted Lendable and offered £400 in full and final settlement of the loan. Lendable asked for further information about Mrs B's income and expenditure, which she provided, but ultimately Lendable said it couldn't accept the offer.

Mrs B complained to Lendable. Lendable didn't uphold the complaint. In its final response it said it couldn't agree to the settlement because the information submitted by Mrs B didn't meet the requirements it used to approve short settlement offers.

Mrs B remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. He said that Lendable was entitled to review and reject a settlement offer. The investigator said he was satisfied that Lendable had treated Mrs B fairly because it had offered alternative payment support which included a payment deferral.

Mrs B didn't agree so I've been asked to review the 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.

I know it will disappoint Mrs B, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments to those points which are most relevant to my decision. If I don't comment on a particular point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I've reviewed the history of the account. I can see that in 2023 the account had fallen into arrears due to several missed payments. Lendable sent arrears letters to Miss B from July 2023 onwards including a Notice of Sums in Arrears in August 2023, December 2023, March 2024 and August 2024. The letters and notices set out what could happen if the arrears

weren't brought up to date and explained that alternative payment options could be reviewed if Mrs B contacted Lendable to discuss these. In August 2024 the account was defaulted.

Mrs B has told this service that she engaged a third-party debt resolution company to write to Lendable in June 2023. She says they sent several letters to Lendable on her behalf. I've reviewed the system notes but there's no records of any letters or communications from a third party. Nor can I see that Mrs B contacted Lendable directly in response to the letters and notices, until April 2025 when she sent the settlement offer of £400.

Mrs B has suggested that Lendable's records are incomplete because they don't show the letters and emails sent by the debt resolution company. Whilst it's always possible that something might not be recorded on the system, for instance, because it wasn't received, I think it's very unlikely that Lendable would fail to record all of the correspondence from the debt resolution company, particularly as they have shown that they kept detailed system notes. So, I can't fairly conclude that Lendable has deliberately failed to record the correspondence from the debt resolution company. I think it's more likely that the correspondence didn't reach Lendable. If the debt resolution company was engaged on Mrs B's behalf, I would have expected them to telephone Lendable if they didn't receive a reply after sending several letters and emails. But there's no record of any telephone calls, either from the debt resolution company or from Mrs B.

Mrs B has said that she put forward her offer of settlement in good faith. I have no reason to doubt that. However, there's no obligation on a lender to accept an offer which is less than the amount which it lent. In this case, I can see that Lendable received Mrs B's offer and asked her to provide further information so that the offer could be reviewed. Having reviewed the information, Lendable said that it was unable to accept the offer based on its criteria for accepting short settlement offers.

I understand that this was disappointing for Mrs B but this service can't require a business to accept a particular offer or change the criteria it applies when reviewing offers. Ultimately, it's a commercial decision for the lender whether it accepts an offer of less than the outstanding balance.

I appreciate that Mrs B feels that Lendable hasn't offered her alternative support. I can see from its final response that Lendable said it would review any further information that Mrs B was able to provide. I can also see that no interest has been applied to the account since August 2024 when the account defaulted, and that Lendable offered a payment deferral at this time. Therefore, I'm not persuaded that Lendable hasn't offered appropriate support to Mrs B.

For the reasons I've explained I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 7 November 2025.

Emma Davy
Ombudsman