

The complaint

Mr R is unhappy that Lendable Ltd failed to provide him with appropriate support in relation to a fixed sum loan agreement he had with them.

What happened

On 31 August 2023, Mr R took out a fixed sum loan agreement with Lendable. The agreement was for £5,000 over 36 months, with 35 monthly payments of £231.29 and a final payment of £206.29.

Mr R didn't make payments to Lendable in October 2024. They wrote to him to let him know they could support him with any financial difficulties, asking him to contact them by phone, email, or through the online portal. They also provided him with contact details for various debt advice charities.

On 11 November 2024, Mr R advised Lendable that he'd been the victim of a financial scam, before he took out the loan with them, and he'd lost £21,000. He explained that part of the loan was used to pay the scammers, with the remainder being used for living costs. Lendable provided Mr R with some information about how to deal with this matter, including reporting the fraud, asking him to provide them with some further information. They also advised what support they could offer with his payments.

The November 2024 payment was also missed, but Mr R recommenced payments in December 2024, making an additional payment in January 2025 to reduce the arrears. However, the April 2025 payment was then missed. Lendable again reached out to Mr R, asking him to contact them and advising of what support was available.

Mr R contacted Lendable on 18 May 2025, where he advised them how being scammed had affected his mental health, and raised a complaint about wanting a more flexible repayment plan. Lendable signposted Mr R to organisations who may be able to assist him with his mental health and had a further conversation with him on 25 June 2025 to discuss what they could do to support him.

Lendable responded to the complaint on 30 June 2025, saying they felt they'd adequately supported Mr R with his financial difficulties, and that they were *“unable to offer alternative payment arrangements beyond those already outlined.”*

Mr R wanted to be able to clear the arrears on 18 July 2025, and resume making payments in August 2025 i.e., without making the contractual payment for July 2025, and without Lendable recording any further arrears on his credit file. As Lendable were unable to agree to this, Mr R brought the matter to the Financial Ombudsman Service for investigation.

Our investigator said that Lendable didn't fully and clearly explain the options to Mr R when they called him on 30 June 2025, and the operator lacked empathy. The investigator said that Lendable had agreed this was the case and had credited Mr R's account with £60 by way of compensation for this.

However, the investigator said that, in a phone call on 31 July 2025, Lendable were professional, empathetic, and ensured that Mr R understood the repayment options available to him. And a repayment plan was agreed. So, they thought the £60 already paid was fair and reasonable, and that Lendable didn't need to do anything more.

While Lendable agreed with the investigator's opinion, Mr R didn't. He said that he'd been the victim of a financial scam which had impacted his mental health, day-to-day living, and finances. However, he didn't think the agreed repayment plan "*genuinely stabilised my position*" as Lendable were still reporting arrears. So, he thought Lendable should've taken more proportionate, tailored steps given his vulnerabilities; and that they should've spread the arrears without reporting these to the credit reference agencies.

Because Mr R didn't agree, this matter 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr R was supplied with a car under a conditional sale agreement. This is a regulated consumer credit agreement which means we're able to investigate complaints about it.

I've listened to the call that took place on 30 June 2025, and I'm in agreement that Lendable could've done better - they lacked both clarity and empathy when speaking to Mr R. I've also listened to the call that took place between Mr R and Lendable's Financial Support Team on 31 July 2025.

During this second call, Lendable explained the current situation, and what was being reported to the credit reference agencies. In both calls Mr R had explained that his main concern was not being defaulted and, in the second call, Lendable explained that a default wouldn't usually be considered until the account was five months in arrears. As Mr R was only two months in arrears, they also explained that a default was currently unlikely.

Lendable explained the two types of payment plan available to Mr R – one where he paid less than the contractual monthly payment, which would increase the arrears balance, and one where he could make overpayments to clear the arrears. They also explained they could spread the current arrears over the remaining term, which would increase the payment from £231.29 a month to £243.79 a month. And, in doing this, they would report a payment arrangement to the credit reference agencies until the arrears balance reduced to below one monthly payment (after which no arrangement or arrears would be reported).

This was followed by a discussion about Mr R's overall financial situation, the scam he'd fallen victim to, a recent bereavement, his mental health problems, and what organisations would be able to support him. Mr R agreed to the increase, explained he was getting a second job to assist him with his finances, and Lendable explained Mr R could make overpayments to clear the arrears sooner.

Finally, Mr R expressed his gratitude that the operator had shown genuine empathy, fully explained everything, and handled the call well.

Having considered the second call, I'm satisfied that Lendable dealt with Mr R's situation with forbearance and due consideration, taking into account his circumstances, and offering a suitable solution that Mr R agreed to.

Lendable have an obligation to correctly report the position of an account to the credit reference agencies, and they explained what they would be reporting and why. I don't agree with Mr R that Lendable should not report any arrears as the arrears are not as a result of any error made by Lendable, and to falsely report a position wouldn't fit with their obligations. This is also why they were unable to accept Mr R's initial proposal that he clear the arrears in July 2025, not make the July 2025 contractual payment, and resume payments in August 2025 with no arrears being reported.

So, taking everything into consideration, I'm satisfied that the £60 already credited to Mr R's account (thereby reducing the arrears balance) is reasonable for the failures in the call of 30 June 2025, and is in line with what I would've directed had no offer been made. As such, and while I appreciate this will come as a disappointment to Mr R, I won't be asking Lendable to do anything more.

My final decision

For the reasons explained, I don't uphold Mr R's complaint about Lendable Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 January 2026.

Andrew Burford
Ombudsman