

The complaint

Mr M complains that Lendable Ltd trading as Zable irresponsibly lent to him.

What happened

Mr M was approved for a Zable credit card in March 2023, with a £200 credit limit. The credit limit was increased a further three times – in September 2023 (£500), December 2023 (£800), and September 2024 (£1,800). The credit card was closed in February 2025. Mr M says that Zable irresponsibly lent to him, and he made a complaint to Zable, who did not uphold his complaint. They said repayments were considered affordable for all of the lending decisions. Mr M brought his complaint to our service.

Our investigator did not uphold Mr M's complaint. He said that for the first two lending decisions, Zable's checks were proportionate and fair lending decisions were made. He said for the last two lending decisions, as Mr M's balance didn't exceed £500 there had been no detriment to Mr M.

Mr M asked for an ombudsman to review his complaint. He made a number of points. In summary, he said that the disposable income figures used in Zable's affordability assessments were unrealistic, and the existing debt he had was more than the credit commitments showing in their affordability assessments. Mr M said he was heavily reliant on unsecured debt, there were defaults visible on his credit file, and he repeatedly borrowed.

Mr M said there was detriment in approving the last two credit limit increases as it was irresponsible. He said Zable did not carry out proportionate checks, and Zable's use of generic expenditure models and incomplete Credit Reference Agency (CRA) data fell short of proportionate checks.

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.

Firstly, I'm aware that I've only summarised Mr M's complaint points. And I'm not going to respond to every single point made by him. No discourtesy is intended by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

Before agreeing to approve or increase the credit available to Mr M, Zable needed to make proportionate checks to determine whether the credit was affordable and sustainable for him. There's no prescribed list of checks a lender should make. But the kind of things I expect lenders to consider include - but are not limited to: the type and amount of credit, the borrower's income and credit history, the amount and frequency of repayments, as well as the consumer's personal circumstances. I've listed below what checks Zable have done and whether I'm persuaded these checks were proportionate.

Acceptance for the Zable credit card

I've looked at what checks Zable said they completed prior to accepting Mr M's application. I'll address the credit limit increases later on. Zable said they looked at information provided by CRA's and information that Mr M had provided before approving his application. The information shows that Mr M had declared a net monthly income of £2,573.29. Zable were able to use information from a CRA to verify Mr M's income.

The CRA that Zable used showed that Mr M had defaulted on credit agreements in the past. But none of these had been in the previous six months. It may help to explain here that, while information like a default on someone's credit file may often mean they're not granted further credit – they don't automatically mean that a lender won't offer borrowing. So I've looked at what other checks Zable completed, to see if they made a fair lending decision here.

The CRA did not report that any of Mr M's active accounts were in arrears at the time of the checks. The CRA reported active outstanding balances of around £4,326. I've considered what Mr M has said about inaccurate data from a CRA, but I can't hold Zable responsible for any information a CRA gave them as this would be out of their control.

Although Mr M may have opened new accounts prior to the Zable credit card being opened, Zable were aware of the outstanding balances and the repayments. So this alone would not be a reason to say that Mr M wouldn't be able to sustainably afford repayments for a £200 credit limit.

Zable completed a limited affordability assessment using Mr M's monthly mortgage payment he declared, and the monthly repayments the CRA were reporting. Although Mr M has said their generic modelling was not proportionate, Zable aren't required to make further checks on each lending decision such as requesting bank statements from Mr M, as this wouldn't be proportionate.

While it's been said that Mr M had a monthly disposable income of £1,295, it would be fairer to say this would be what Mr M had left to pay for his living costs, and the repayments for the new Zable credit limit after they had made reductions for the expenditure they were aware of.

Mr M's existing active outstanding balances being reported by the CRA would have equated to around 14% of his net annual income. And the new £200 credit limit would have equated to less than 1% of his net annual income. So due to their being no recent adverse credit history, no active arrears on active accounts, and the low debt to income, I'm persuaded that Zable's checks were proportionate here, and they made a fair lending decision to approve the account with a £200 credit limit.

September 2023 credit limit increase - £200 to £500

Zable's checks showed that Mr M's unsecured active debt was no more than £5,300, which would have been around 17.2% of Mr M's declared net annual income, so it wouldn't appear he was heavily reliant on unsecured debt at the time of these checks. The CRA reported that Mr M had no accounts in arrears at the time of the checks. As the checks for this lending decision were in the same calendar year as the opening checks, I'm not persuaded it would have been proportionate for Zable to ask Mr M what his income was again.

Zable again received information about how much Mr M was paying towards his monthly credit commitments (including his mortgage repayments). It would appear to Zable that Mr M would have a sufficient disposable income in order to pay his living costs and repayments for

a £500 credit limit.

Zable would have also been able to see how Mr M managed his account leading up to this lending decision. I could not identify any late payment fees or overlimit fees. When Mr M had a balance outstanding on his Zable card, he often paid a lot more than his minimum required repayment, which also supports that he had the affordability to sustainably afford repayments for a £500 credit limit. So it wouldn't have been proportionate here for Zable to have completed further checks such as requesting Mr M's bank statements.

So I'm persuaded that Zable's checks were proportionate here, and they made a fair lending decision to increase the credit limit to £500.

December 2023 and February 2024 credit limit increases - £500 to £800 to £1,800

Our investigator has explained to Mr M that there was no detriment to Mr M for these two lending decisions because his balance didn't exceed £500. But while Mr M's statement balance did not exceed £500, I do note that his February 2024 statement shows transactions which exceed £500 (£535.53).

But ultimately, the same statement shows that because Mr M made a repayment of £535.53, repaying the outstanding balance at the time he made the repayment on 21 February 2024, he was not charged any interest this month.

Mr M has said that there was detriment in approving the last two credit limit increases as it was irresponsible. But even if I agreed with Mr M, and I upheld his complaint regarding these two lending decisions, there would be no actions that I would require Zable to take, and this is why there is no detriment to Mr M here.

I say this because I would be asking Zable to refund any interest charged over £500 – but there was no interest charged on balances over £500. And with his account now being closed, this couldn't happen moving forward on this account. I would also be asking them to remove any adverse information from his credit file. But as he didn't miss a payment, incur a late fee, or exceed his credit limit, then there would be no amendment needed to his credit file. So it does matter here that Mr M wasn't charged interest on any balances over £500, as I can only look at what did actually happen, not what might have happened.

So it wouldn't be proportionate for me to make a finding on reasonable and proportionate checks for these last two lending decisions, as Mr M would be due no redress even if I found that the credit limit increases shouldn't have occurred here.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, I'm satisfied the redress Zable has carried out results in fair compensation for Mr M in the circumstances of her complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 February 2026.

Gregory Sloanes
Ombudsman