

The complaint

Miss W complains that a loan from Lendable Limited was unaffordable and that it shouldn't have lent to her.

What happened

Miss W entered into a fixed sum loan agreement with Lendable Limited that she electronically signed in November 2023 for a loan of £7,500. She agreed to repay the loan by 35 monthly payments of £362.84 and a final payment of £368.90.

Miss W complained to Lendable Limited about the loan in September 2025, but it didn't uphold her complaint. It said that the loan was issued in accordance with its lending criteria at the time and there was nothing which warranted further referral for additional information in order for it to make a decision to lend to her. Miss W wasn't satisfied with its response so referred her complaint to this service.

Miss W's complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He thought that Lendable Limited should have done more to understand Miss W's financial circumstances at the time, so he considered what proportionate checks would have shown if they'd been done, but he didn't think that there was enough to say that the loan was unaffordable for her.

Miss W has asked for an ombudsman to review her complaint. She says that: proportionate checks should have included a full expenditure assessment; two months of bank statements were reviewed, which doesn't give an accurate picture of her long-term financial position; the available money shown in her statements was mainly overdraft usage; the repayment reduction assumption doesn't reflect her actual situation; debt consolidation didn't happen; and her subsequent financial difficulty is consistent with the loan being unaffordable at the time it was granted.

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.

Miss W applied to Lendable Limited for a loan in November 2023 for debt consolidation. She declared that she was in full time employment with a monthly income of £2,548, which Lendable Limited verified using information from a credit reference agency. It says that Miss W also connected it to her online banking as part of the application process. Lendable Limited also made a credit search and calculated Miss W's disposable income using regular monthly repayments for active accounts identified from her credit file and estimates for her revolving account contributions.

Lendable Limited was required to make reasonable and proportionate checks to ensure that any loan to be made to Miss W was sustainably affordable before providing the loan to her. The investigator thought that Lendable Limited should have done more to understand Miss W's financial circumstances at the time, so he looked at the banking information to

which Lendable Limited would have had access for August to November 2023, which was the three month period before she entered into the loan agreement.

Miss W had declared a monthly income of £2,548, which it had verified, and the banking information shows that her main income was £2,274.59 in September 2023 and £2,370.83 in October 2023, but there are significant other credits into her account. The investigator calculated that Miss W was paying, on average, a net amount of £685.50 each month in rent and £994.22 each month for her other regular expenditure, and that after making the loan repayment of £362.84 each month, she'd be left with a monthly disposable income of £505.44. I consider that it would have been fair and reasonable for Lendable Limited to have concluded, on the basis of that information, that a loan of £7,500, repayable over three years by monthly payments of £362.84, was likely to have been sustainably affordable for Miss W at the time that it made the loan to her.

I'm not persuaded that reasonable and proportionate checks in the circumstances of the loan that it was making to Miss W, would have required Lendable Limited to have conducted a full assessment of Miss W's expenditure, but even if it had done so, I've not been provided with enough evidence to show that such an assessment would have shown that the loan wasn't sustainably affordable for Miss W. Miss W says that two months of bank statements doesn't give an accurate picture of her long-term financial position, but the banking information to which Lendable Limited would have had access, and which was used by the investigator, was for a three month period from August to November 2023. I'm not persuaded that reasonable and proportionate checks would have required Lendable Limited to have looked at Miss W's banking information for a longer period than that.

The banking information shows that Miss W was using her overdraft, but I don't consider that the credit search that Lendable Limited made showed signs of financial distress and I don't consider that Miss W's overdraft use should have prevented Lendable Limited from lending to her. Miss W had applied to Lendable Limited for a loan for debt consolidation, so I consider that it would have been reasonable for it to have expected that her monthly spending on her existing credit commitments would have reduced. Miss W says that the repayment reduction assumption doesn't reflect her actual situation and debt consolidation didn't happen, but that isn't enough to show that the loan wasn't affordable for her or that Lendable Limited lent to her irresponsibly.

I've also considered whether Lendable Limited acted unfairly or unreasonably in some other way, including whether its relationship with Miss W 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. I've carefully considered all that Miss W has said and provided about her complaint, but I'm not persuaded that the loan wasn't sustainably affordable for her or that Lendable Limited lent to her irresponsibly.

Miss W has provided evidence to show that other lenders have upheld her complaints about unaffordable lending. This service considers each complaint on its individual merits and the decisions by the other lenders don't change my decision on this complaint. I appreciate that my decision will be disappointing for Miss W, but I'm not persuaded that her complaint should be upheld. I find that it wouldn't be fair or reasonable in these circumstances for me to require Lendable Limited to take any action in response to Miss W's complaint.

My final decision

My decision is that I don't uphold Miss W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 18 March 2026.

Jarrold Hastings
Ombudsman