

## **The complaint**

Miss P complains that Lendable Limited trading as Autolend (Lendable) irresponsibly provided her with a loan.

## **What happened**

Lendable provided Miss P with a loan of £4,000 (£4,235 including a loan fee) in June 2022. The loan was for 36 months with a monthly repayment of £193.46. The total amount payable under the loan was £6,972.09. In summary, Miss P considers that Lendable lent to her irresponsibly. Her complaint was rejected by Lendable because it considered that its affordability assessment and lending decision had been appropriate.

Miss P remained unhappy and brought her complaint to this service. One of our investigators reviewed matters and considered that Lendable's decision to lend had not been irresponsible.

Whilst Lendable agreed with our investigator's view, Miss P didn't. As an agreement has not been reached, the complaint has been passed to me to make a decision.

## **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've looked at all of the information on file, although I may not have commented on everything.

The rules and regulations in place at the time when Miss P was provided with the loan, required Lendable to carry out a reasonable and proportionate assessment of whether she could afford to repay what she owed in a sustainable manner. This is sometimes referred to as an 'affordability assessment' or 'affordability check'.

The checks had to be 'borrower' focused. This means Lendable had to think about whether repaying the credit sustainably would cause difficulties or adverse consequences for Miss P. In other words, it wasn't enough for Lendable to consider the likelihood of it getting the funds back – it had to consider the impact of any repayments on Miss P.

Checks also had to be 'proportionate' to the specific circumstances of the lending. In general, what constitutes a proportionate affordability check will be dependent on a number of factors including – but not limited to – the particular circumstances of the consumer (e.g. their financial history, current situation and outlook, any indications of vulnerability or financial difficulty) and the amount/type/cost of credit they were seeking. I've kept all of this in mind when thinking about whether Lendable did what it needed to do before arranging a loan for Miss P.

When Miss P applied for the loan, she declared that she was self-employed with an annual income of £29,000 and a net monthly income of around £1,900. She did not declare that she had any rental outgoings.

It's fair to say that Lendable didn't solely rely upon the information provided by Miss P. It sought to verify her income via Open Banking for which Miss P had connected to as part of her loan application. Through this process Lendable verified that her monthly income was £2,150 (a higher figure was quoted in subsequent correspondence, but I've used the lower figure here). Lendable also carried out a credit check. This showed that Miss P had a number of other credit accounts. There had been some late payments on two mail order accounts, but at the time of her loan application, these accounts were up to date. For some of her accounts, her repayments had been more than the minimum due. There had been no defaults in the preceding 12 months nor any County Court Judgments either.

Lendable proceeded to carry out an affordability assessment. In doing so, it sought to estimate the cost of servicing Miss P's existing debt together with the cost of the new loan by reference to the Open Banking data in the months preceding the loan application. The purpose of Miss P's loan was debt consolidation and Lendable carried out an additional check to see how much Miss P's overall outgoings in servicing her debt might reduce if the loan was taken out. Lendable estimated that Miss P would have around 70% of her disposable income to meet her other financial commitments after servicing all of her debt. In other words, around £1,500 each month.

In carrying out a credit check, I think Lendable took reasonable steps to determine Miss P's creditworthiness. In terms of affordability, it also considered Miss P's income, her ongoing credit commitments and took into account the likely positive impact of consolidating some of her existing debt. In overall terms, I don't consider that Lendable acted irresponsibly here.

Miss P has asked whether this service had reviewed her full bank statements which are crucial to understanding her true financial situation at the time. She highlights that Lendable did not properly assess whether her self-employed income was stable, nor whether she could meet her other living costs. I mention, above, that Lendable did consider her income and existing credit commitments from Open Banking data in estimating her disposable income. I wouldn't have expected Lendable to have carried out an assessment of all of her expenditure by reference to her bank statements because I think the checks Lendable carried out were reasonable and proportionate. Lendable's estimate of Miss P's income from Open Banking was broadly in line with the income she declared in her loan application, so I wouldn't have expected Lendable to have investigated this further.

Miss P has also pointed out that, shortly after taking out the loan, her circumstances changed drastically with the loss of her job. I'm sorry to read about this, but the focus of the decision I'm being asked to make relates to the situation before the loan was taken out, rather than afterwards. Unfortunately, I can't take it into account.

Miss P has also questioned the legitimacy of the fees that she was charged by other lenders when repaying loans as part of her debt consolidation activity. I'm sympathetic to Miss P about this because it's clear that she was trying to do the right thing by paying down other debts. However, the decision I'm being asked to make can only be about Lendable's decision to lend. I can't consider other potential complaints about other lenders and their fees.

Miss P is also unhappy about the impact of Lendable's reporting is having on her credit file. I can see that Miss P entered into a debt repayment plan in around March 2025. Miss P was informed by Lendable that this arrangement would be reported to credit reference agencies as an arrangement to pay. In taking this action, I don't think that Lendable is acting

unreasonably here because, under the guidance set by the Information Commissioner's Office (ICO) around credit reporting, a lender is required to report up to date and accurate information, and the information Lendable are reporting is accurate based on Miss P's management of her account with them.

Therefore, whilst I know this won't be the outcome Miss P is hoping for, I don't think Lendable acted unfairly or unreasonably when it provided her with the loan. It follows that I'm not upholding her complaint.

Finally, I've also considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Lendable lent irresponsibly to Miss P or otherwise treated her unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

### **My final decision**

My final decision is that I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 25 February 2026.

John Butler  
**Ombudsman**