

## **Complaint**

Miss S has complained about a credit card Lendable Ltd (trading as “Zable”) provided to her. She says the credit card was irresponsibly provided as insufficient checks were carried out and had such checks been carried out they would have shown the card was unaffordable.

## **Background**

Zable provided Miss S with a credit card with an initial limit of £350 in August 2024. Miss S’ credit limit was never increased.

One of our investigators reviewed what Miss S and Zable had told us. And she thought Zable hadn’t done anything wrong or treated Miss S unfairly. So she didn’t recommend that Miss S’ complaint be upheld.

Miss S disagreed and asked for an ombudsman to look at her complaint.

## **My findings**

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

We’ve explained how we handle complaints about unaffordable and irresponsible lending on our website. And I’ve used this approach to help me decide Miss S’ complaint.

Having carefully considered everything, I’ve not been persuaded to uphold Miss S’ complaint. I’ll explain why in a little more detail.

Zable needed to make sure it didn’t lend irresponsibly. In practice, what this means is Zable needed to carry out proportionate checks to be able to understand whether Miss S could afford to repay any credit it provided.

Our website sets out what we typically think about when deciding whether a lender’s checks were proportionate. Generally, we think it’s reasonable for a lender’s checks to be less thorough – in terms of how much information it gathers and what it does to verify it – in the early stages of a lending relationship.

But we might think it needed to do more if, for example, a borrower’s income was low or the amount lent was high. And the longer the lending relationship goes on, the greater the risk of it becoming unsustainable and the borrower experiencing financial difficulty. So we’d expect a lender to be able to show that it didn’t continue to lend to a customer irresponsibly.

Zable says it agreed to Miss S’ application after it obtained information on her income, which it validated against information from credit reference agencies, as well as her rent payments and also carried out a credit search. In its view, the information obtained indicated that Miss S would be able to make the relatively low monthly repayments due on this credit card.

On the other hand, Miss S says that the credit card was unaffordable and so she shouldn't have been provided with it.

I've considered what the parties have said.

What's important to note is that Miss S was provided with a revolving credit facility rather than a loan. And this means that Zable was required to understand whether a credit limit of £350 could be repaid within a reasonable period of time, rather than all in one go. I think it's fair to say that a credit limit of £350 didn't require especially large monthly payments in order to clear the full amount that could be owed within a reasonable period of time.

Having looked at the information on the credit checks Zable carried out it's fair to say that Miss S had had previous repayment difficulties – in the form of defaults on previous credit accounts recorded against her - at the time of his application. But I don't think that these issues in themselves meant that Miss S shouldn't have been lent to. In my view, it meant that Zable needed to take more caution which it did do by offering a low initial limit.

I appreciate that Miss S' circumstances may have been worse than what the information Zable gathered showed. In particular, I've noted Miss S has said that Zable's checks of her income were inadequate as it electronically calculated her income. However, what Zable actually did was cross check Miss S' declaration of income against information from credit reference agencies on the amount of funds going into her main bank account each month. This results of this check indicated that the total amount of funds going into Miss S' account meant that her declaration was plausible.

I appreciate that Miss S considers this to be an insufficient method of checking income. But as this type of income check is permitted by the regulator's rules and what Zable was in effect doing was seeking to validate what Miss S had declared, I don't agree with Miss S. Most importantly, I'm satisfied that Zable was entitled to rely on this what it had determined Miss S' income to be.

Zable could only make a decision based on the information it had at the time. As there wasn't anything in the information gathered indicating that Miss S would not be able to make the payments necessary to repay what she could owe within a reasonable period of time at the lending decision was made, I don't think that Zable needed to do anything more, or that it reached an unreasonable decision on whether to lend.

In reaching my conclusions, I've also considered whether the lending relationship between Zable and Miss S might have been unfair to Miss S under section 140A of the Consumer Credit Act 1974 ("CCA").

However, for the reasons I've explained, I've not been persuaded that Zable irresponsibly lent to Miss S or otherwise treated her unfairly in relation to this matter. And I haven't seen anything to suggest that section 140A CCA or anything else would, given the facts of this complaint, lead to a different outcome here. So I'm not upholding Miss S' complaint.

Overall and having considered everything, while I can understand Miss S' sentiments, I don't think that Zable treated Miss S unfairly or unreasonably when providing Miss S with her credit card. I appreciate this will be very disappointing for Miss S. But I hope she'll understand the reasons for my decision and that she'll at least feel her concerns have been listened to.

Although I'm not upholding this complaint, I'd like to remind Zable of its obligation to exercise forbearance and due consideration in collecting the outstanding balance on this credit card

account. This is especially given what Miss S has now said about her circumstances and her ability to make her payments.

**My final decision**

For the reasons I've explained, I'm not upholding Miss S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 23 February 2026.

Jeshen Narayanan  
**Ombudsman**