

The complaint

Miss L has complained Lendable Ltd, trading as Autolend, continue to ask her to repay a personal loan which she only took out under duress.

What happened

In early 2022 after her father's death, Miss L got to know someone she became close to. She feels over a few months he manipulated her into taking out loans and passing the money onto him. This includes a loan taken out with Autolend in July 2022 for £15,000.

Later in 2022 Miss L contacted Autolend to say she'd been the victim of fraud and had been made to apply for this loan. Autolend rejected this claim. Few repayments were made towards this large debt. Around this time and to repay other debts Miss L entered into an Individual Voluntary Arrangement which was later ended.

In 2024 Miss L contacted Autolend again and asked them to write off the loan as she didn't feel she should be responsible for a loan she didn't willingly take out. Autolend didn't agree and expected Miss L to continue to make repayments.

Miss L brought her complaint to the ombudsman service.

Our investigator felt the evidence showed Miss L had provided her login details to her credit score app, which was used as the credit intermediary for the loan application. She was always therefore aware of the loan and bank statements from that time showed she also benefitted from the funds.

Upset by this outcome, Miss L has asked an ombudsman to consider her complaint.

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 outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

Existing consumer credit legislation says that a customer can't be held liable for a loan if it was taken out by an unauthorised party. However, that's not the whole story. Our service also considers whether the party supposedly taking out the loan knew about and benefitted from the funds.

Overall, I am satisfied Miss L did know about the credit agreement being taken out even if she didn't apply for the credit agreement herself. I also believe she benefitted from the credit of the loan monies into her account. I say this based on the following:

- Miss L has said she was manipulated into providing her credit score app to her partner at the time. This enabled the application to be made to Autolend. There is an argument that by allowing someone else to use her app, Miss L was giving that individual apparent authority to make this application.
- I have considered Miss L's powerful testimony that she was acting under duress and note she finds it distasteful that she willingly gave someone access to her credit score app. I appreciate how she feels about this but I can't ignore the fact that she knew what was going on.
- Evidence from Autolend suggests that although the mobile phone details don't match those of Miss L at the time of the application, other personal details do match those of the application. I've noted that emails were sent to Miss L at the time of application and funds being made available. These were sent to an email address which Miss L used at that time.
- The loan proceeds of £15,000 were paid into Miss L's personal bank account – which she was then able to use. This confirms Miss L benefited from the proceeds of the loan. I understand she says she provided these funds to her partner but there is no suggestion that she didn't know this was happening.
- I can see that £10,000 was sent out the day of receipt to another account in Miss L's name. Miss L has told us she no longer has access to this account. I am unable to see what happened to those funds, although there is a suggestion this funded a cryptocurrency account. I can also see a payment of £1,400 was made the following day to the same bank account. I have noted Miss L's testimony that she only transferred these to her partner at the time under duress. But there's no dispute these transactions were properly authorised under the Payment Services Regulations 2017. There's no suggestion that Miss L didn't have control of her own bank accounts at the time.
- I note there was another loan application made at this time and proceeds were also paid into one of Miss L's bank accounts. I can also see this loan provider has written off this loan. That does not mean that Autolend have to do the same.
- Although Miss L can't recall exactly what happened to all of the loan proceeds, I believe that at least £3,000 was retained by Miss L. Her bank statements around this time show considerable spending. It is difficult to argue that she didn't benefit from this loan.
- What I think is most likely is that Miss L agreed to allow loan applications to be made in her name. She may have been persuaded to believe the repayments would be met by the individual who she'd given the money to or that she could claim that she didn't take out this loan.
- Miss L contacted Autolend in September 2022 within two months of the loan being taken out to say she was the victim of fraud. She didn't pursue this complaint at the time. I've noted her testimony that she was still going through a difficult period with her disability and mental health following the death of her father. That must have been a very difficult time for her.

I've taken note of Miss L's testimony about what happened. I've balanced this with what I know about the loan applications and payments made into her account. Despite my concern about the impact this must have had on her, I'm not going to ask Autolend to cancel the loan.

However, Autolend must be aware of the level of debt that Miss L now has. I expect Autolend to ensure that a suitable repayment plan is agreed with Miss L based on her personal circumstances. In these circumstances, I would normally ask a lender to cancel all interest and charges but from Autolend's account statement up to June 2025, I can see repayments have been extremely spotty, and no interest has been charged since the end of 2022.

My final decision

For the reasons given, my final decision is not to uphold Miss L's complaint against Lendable Ltd, trading as Autolend.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 16 February 2026.

Sandra Quinn
Ombudsman