

The complaint

Miss E complains that a loan that was made to her by Lendable Limited was unaffordable and that it lent to her irresponsibly.

What happened

Miss E applied to Lendable Limited for a loan in June 2023. Her application was accepted and she entered into a fixed sum loan agreement with Lendable Limited for a loan of £6,174, repayable by 47 monthly payments of £261.39 and a final payment of £292.11. That loan was repaid in November 2023. Miss E applied to Lendable Limited for another loan in September 2024. Her application was accepted and she entered into a fixed sum loan agreement with Lendable Limited for a loan of £8,000, repayable by 47 monthly payments of £338.50 and a final payment of £314.69.

Miss E complained to Lendable Limited about the September 2024 loan in May 2025, but it didn't uphold her complaint. It said that it had found no evidence that the affordability assessment or lending decision was inappropriate based on Miss E's financial position at the time of her application.

Miss E wasn't satisfied with its response, so referred her complaint to this service. Her complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. He believed that the checks completed by Lendable Limited for the loans were proportionate, no further checks would have been expected to be made by it and these were fair decisions to lend.

Miss E hasn't accepted the investigator's recommendation and says that she'd like to take her complaint further, so I've been asked to issue a decision on it. She says that she's in a debt management agreement, she's provided evidence of her medical issues and she's described her financial situation. She says that she has have two maxed-out credit cards and two other credit cards, two other loans, an additional loan taken out by her stepfather which she repays by a standing order of £327 per month and, she transfers £580 each month into her credit card account which she then uses to cover food bills and her partner pays the main household bills and she also covers energy bills, food and any additional expenses such as petrol and car maintenance.

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 E applied to Lendable Limited for a loan in June 2023 for debt consolidation. She declared that she was in full-time employment with a monthly income of £2,103 and it verified a monthly income of £2,158 using online banking to which Miss E had connected it as part of her application. It says that it made a credit check and conducted an affordability assessment based on expenditure data provided by a foundation.

Lendable Limited was required to make reasonable and proportionate checks to ensure that any lending that it was going to provide to Miss E was sustainably affordable for her before entering into the loan agreement. I consider that the checks that Lendable Limited made were reasonable and proportionate for a loan of £6,174, repayable over four years by monthly payments of £261.39. I don't consider that Lendable Limited was required to obtain a more detailed understanding of Miss E's financial situation at that time.

Lendable Limited hasn't provided a copy of the affordability assessment that it conducted but the investigator calculated, using Miss E's verified income and information from the credit check, that she would have had a disposable income of about £1,331 each month. He said that the credit checks showed that Miss E had 16 active credit accounts, with a total unsecured debt balance of £13,217, which were being well managed. The loan was made to Miss E in June 2023, she made five loan repayments and then repaid the loan in November 2023. I consider that it was fair and reasonable for Lendable Limited to have concluded, on the basis of the reasonable and proportionate checks that it had made, that the loan was likely to have been sustainably affordable for Miss E at the time that the loan was made to her and that it made a fair lending decision.

Miss E applied to Lendable Limited for another loan in September 2024 for debt consolidation. She declared that she was in full-time employment with a monthly income of £2,285 and it verified a monthly income of £2,317 in the same way that it had verified Miss E's income in June 2023. It says that it made a credit check and conducted an affordability assessment based on expenditure data provided by a foundation. I consider that the checks that Lendable Limited made were reasonable and proportionate for a loan of £8,000, repayable over four years by monthly payments of £338.50. I don't consider that Lendable Limited was required to obtain a more detailed understanding of Miss E's financial situation at that time.

Lendable Limited also hasn't provided a copy of the affordability assessment that it conducted for that loan, but the investigator calculated, using Miss E's verified income and information from the credit check, that she would have had a disposable income of about £1,201 each month after making the loan repayment of £338.50. He said that the credit checks showed that Miss E had 19 active credit accounts, with a total unsecured debt balance of £25,187. Although that's a large amount of credit, the information that Lendable Limited reviewed showed that the credit was being well managed, and it had lent £6,174 to Miss E in June 2023 which she'd repaid in November 2023, so I don't consider that Miss E's existing credit commitments were enough to show that Lendable Limited shouldn't have lent to her. The loan was for debt consolidation and Lendable Limited estimated that, by taking the loan, Miss E could potentially save around £264.90 from her monthly outgoings.

I consider that it was fair and reasonable for Lendable Limited to have concluded, on the basis of the reasonable and proportionate checks that it had made, that the loan was likely to have been sustainably affordable for Miss E at the time that the loan was made to her and that it made a fair lending decision. Miss E says that she pays £327 each month for a loan taken out by her stepfather and that she transfers £580 each month into her credit card account which she then uses to cover food bills. The affordability assessment that Lendable Limited conducted included an assessment of Miss E's essential expenditure, which would have included food, and I don't consider that it was fair or reasonable to expect the reasonable and proportionate checks that Lendable Limited had made to have included the loan taken out by her stepfather. Even if the payments of £327 and £580 are deducted from the monthly disposable income calculated by the investigator of £1,201, Miss E would still have been left with a disposable income of £294. As the loan was for debt consolidation, I consider that it was reasonable for Lendable Limited to have expected that Miss E's spending on her existing credit commitments would decrease, which would have given her more disposable income.

I've carefully considered all that Miss E has said and provided about her complaint, including her response to the investigator's recommendation, but I'm not persuaded that her complaint should be upheld. I've also considered whether Lendable Limited acted unfairly or unreasonably in some other way, including whether its relationship with Miss E 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.

Miss E said in her complaint form that she shouldn't have to pay any interest on the September 2024 and, if the loan can't be written-off, she would expect a payment plan for the outstanding balance of the loan and for her missed payments to be taken off her credit report. Lendable Limited is required to report true and accurate information about the loans to the credit reference agencies. I've seen no evidence to show that the information about the loans that's on Miss E's credit file isn't true and accurate.

I appreciate that my decision will be disappointing for Miss E, but I find that it wouldn't be fair or reasonable in these circumstances for me to require Lendable Limited to write-off the outstanding balance of the September 2024, to refund any interest to Miss E, to amend or remove any of the information about the loans that it's reported to the credit reference agencies or to take any other action in response to her complaint. Lendable Limited is required to respond to any financial difficulties that Miss E is experiencing positively and sympathetically. Miss E says that she's now in a debt management agreement with Lendable Limited and I'm not persuaded that there's enough evidence to show that it hasn't responded to her financial difficulties positively and sympathetically.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 9 February 2026.

Jarrold Hastings
Ombudsman