

The complaint

Mrs P complains Lendable Ltd lent to her irresponsibly when they provided her with a credit card account.

What happened

In 2024, Mrs P was provided with a loan by Lendable. I've included details of the loan below.

Date	Amount	Term	Fee	Repayments
21 November 2024	£3,000	48 months	£230	£92

In 2025, Mrs P complained. In summary, she said Lendable had irresponsibly lent to her and that sufficient checks – to ensure her affordability status – hadn't been undertaken.

Lendable didn't uphold the complaint. They said, in summary, that they had carried out checks proportionate to the amount being lent; those checks hadn't revealed any concerns, and on that basis, the credit had been provided. So, they were satisfied they had lent responsibly.

Mrs P disagreed; she still thought that Lendable were wrong to have lent to her. So, she referred her complaint to this Service for independent review.

An Investigator here considered what had happened; having done so, she didn't think Lendable had done anything wrong. In short, the Investigator said:

- The checks carried out by Lendable were proportionate in the circumstances.
- The information gathered as a result of those checks wouldn't have given Lendable any cause for concern. And there was nothing that would have suggested to Lendable that Mrs P was struggling financially and/or wouldn't be able to afford the repayments towards the credit.
- Any financial struggles, which did materialise for Mrs P later, wouldn't have been apparent to Lendable at the time they provided Mrs P with the credit.
- Overall, with that in mind, Lendable hadn't acted unfairly or unreasonably in providing Mrs P with this loan.

Mrs P disagreed; and maintained her argument that Lendable had failed to carry out proportionate checks and had lent to her irresponsibly. And she pointed to gambling issues she had experienced prior to taking out the credit. She feels Lendable should have done more to identify this.

So, as no agreement has been reached, Mrs P's complaint has now been passed to me to decide.

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, while this will no doubt disappoint Mrs P, I agree with the findings of our Investigator, and for broadly the same reasons. I'll explain why.

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

The checks had to be borrower focussed; that is, relevant to Mrs P. So, Lendable had to think about whether repaying the credit sustainably would cause her difficulties, or other adverse consequences. In other words, Lendable had to consider the impact of any repayments on Mrs 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 they needed to before agreeing to lend to Mrs P.

Here, before agreeing to lend, Lendable checked data recorded with Credit Reference Agencies ("CRAs"); and they relied upon information provided by Mrs P in her application. I've been provided the results of Lendable's checks and, in my view, the data they gathered didn't suggest that there was any real cause for concern.

Rather, information obtained from CRAs didn't show any recent defaults or County Court Judgments ("CCJs"); nor was Mrs P subject to an Individual Voluntary Arrangement ("IVA").

Lendable recorded Mrs P's declared monthly income at £2,093. And they took further steps to verify this information using a credit reference agency product, which produced a high confidence rating that the income declared was accurate. They also looked at Mrs P's existing credit commitments, and there were no payment issues present, with no arrears evident in the 36 months prior to this loan being taken out. They also used statistical data based on geographical averages to estimate some of Mrs P's fixed expenditure.

Looking at Mrs P's outgoings, she confirmed she had no rent costs. And the credit check Lendable ran, showed total credit commitments of £4,984; and only £300 of this was revolving credit, with Mrs P was utilising 84% of this limit at around £252 owing.

Mrs P appeared to have limited fixed monthly costs, and there was no evidence from the credit check completed of Mrs P having any current issues in repaying her credit. So, in the circumstances, I think Lendable choosing to base their lending decision on a combination of the credit check they ran and declarations from Mrs P – while also taking further steps to confirm the accuracy of those disclosures – was reasonable in the circumstances and I don't think their checks needed to go further.

Keeping in mind the monthly repayments required to repay the loan; and, given that the CRA data hadn't raised any immediate concerns; not only do I think the checks undertaken by

Lendable were proportionate, but given the level of borrowing in question, I think it was reasonable for them to conclude this lending was affordable for Mrs P at the time.

Mrs P has argued that in the lead up to taking out the loan, she was carrying out high levels of gambling, and that this could have easily been identified through enhanced affordability checks.

Having reviewed this point, I accept that enhanced affordability checks may have indeed identified some of these concerns Mrs P has highlighted. But it's important to note, that there isn't an expectation for businesses to carry out enhanced affordability checks for every credit application. Rather, checks need to be proportionate to the circumstances of the lending as set out above. And, in the circumstances, given Mrs P's limited credit commitments and strong credit repayment history; and, taken into account the amount she was borrowing in comparison to her income, I'm satisfied the checks carried out by Lendable were proportionate. And I don't think it would have been necessary for Lendable's checks to go further by reviewing bank statements for instance, which may have identified these issues.

I've also seen no evidence to show that Mrs P brought these concerns to Lendable's attention. So, I'm satisfied that the proportionate checks Lendable completed, would not have uncovered Mrs P's gambling transactions, and therefore I remain satisfied it was reasonable for Lendable to provide this credit to her based on the results of their proportionate checks.

While I appreciate this may disappoint Mrs P, for the reasons set out above, I'm satisfied Lendable carried out proportionate checks, and that these checks showed the credit to be affordable. Subsequently I don't think Lendable acted unfairly or unreasonably when they provided Mrs P with this loan. So, it follows that I'm not upholding her complaint.

Separately, whilst I'm not upholding the complaint, I do want to remind Lendable of their obligations to exercise forbearance moving forward. I would certainly encourage Mrs P to keep in regular contact with Lendable about any difficulties she's now facing in maintaining any outstanding repayments that may be owed.

Mrs P has also mentioned to our service that she has been struggling with some personal matters and mentioned how they have impacted her mental health. I'm very sorry to hear of this, and I imagine this must be a difficult a time for her. I've included below details of some organisations that might be able to provide Mrs P with some assistance during this difficult period, should she find them useful.

- Citizens Advice - <http://www.citizensadvice.org.uk/> - 0800 144 8848
- Mind - <http://www.mind.org.uk/> - 0300 123 3393

Finally, I've also considered whether the relationship might have been unfair under Section 140A (S140A) of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Lendable lent irresponsibly to Mrs P or otherwise treated her unfairly in relation to this matter. I haven't seen anything to suggest that S140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

My final decision is that I do not uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 13 April 2026.

Brad McIlquham
Ombudsman