

## **Complaint**

Miss S has complained about a loan Lendable Ltd (“Lendable”) provided to her.

She says the loan was unaffordable bearing in mind her existing debt and so shouldn’t have been provided to her.

## **Background**

Lendable provided Miss S with a loan for £2,000.00 in July 2023. This loan was due to be repaid in 35 monthly instalments of £96.74 followed by a final instalment of £20.45. One of our investigators reviewed what Miss S and Lendable had told us. And she didn’t recommend that Miss S’ complaint be upheld.

Miss S disagreed with the investigator 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 decided not to uphold Miss S’ complaint. I’ll now explain why in a little more detail.

Lendable needed to make sure that it didn’t lend irresponsibly. In practice, what this means is Lendable needed to carry out proportionate checks to be able to understand whether Miss S could afford to repay before providing this loan.

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.

Lendable says it agreed to Miss S’ application after she provided details of her monthly income and some information on her expenditure. It says it cross-checked this against information on a credit search it carried out and all of this information showed Miss S could afford to make the repayments she was committing to.

On the other hand, Miss S has said her extensive existing indebtedness means that Lendable shouldn't have lent to her.

I've carefully thought about what Miss S and Lendable have said.

The first thing for me to say is that Lendable didn't just simply accept what Miss S had told it. It cross checked Miss S' declared income against open banking information on the amount of funds that were going into her main bank account each month. This information suggested that Miss S' declaration of income was plausible.

Lendable also carried out credit searches on Miss S. These showed that Miss S didn't have any significant adverse information - such as defaulted accounts or County Court Judgments ("CCJ") - recorded against her. Furthermore, while I appreciate that Miss S may not agree with this, the credit checks suggested that the amount Miss S already owed wasn't especially high given the amount of her income.

I accept that Miss S appears to be suggesting that her actual circumstances may not have been fully reflected either in the information she provided, or the information Lendable obtained. I know that Miss S has said that she owed more than what showed up on Lendable's credit search. However, while some open banking information was obtained from Miss S this was with a view to validating the income she had declared. I think that Lendable was entitled to rely on what its credit check showed in terms of Miss S' existing credit commitments.

In any event, having reviewed the open banking data myself, I can't see anything in it that obviously shows the relatively low monthly payment here was unaffordable. In these circumstances, I've not been persuaded that it was unreasonable for Lendable to have provided this loan to Miss S.

In reaching my conclusions, I've also considered whether the lending relationship between Lendable 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 don't think Lendable 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.

Overall and having considered everything, I don't think that Lendable did anything wrong when deciding to lend to Miss S - it carried out proportionate checks and reasonably relied on what it found out which suggested the monthly repayments were affordable. And, in any event, I've not been provided with anything else that suggests Lendable doing even more, which on the face of things it didn't need to, would have prevented it from lending either.

As this is the case, I'm not upholding Miss S' complaint. 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.

### **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 16 March 2026.

Jeshen Narayanan  
**Ombudsman**