

The complaint

Mr J has complained that Lendable Ltd, trading as Zable, were irresponsible in opening a credit card account and subsequently increasing the credit limit.

What happened

Zable provided Mr J with a credit card in April 2023 with a credit limit of £200. This limit was increased to £500 in July 2023.

Mr J says the lending decisions were irresponsible. He says the checks carried out were insufficient and a more thorough check would have revealed that the required repayments were unaffordable.

Zable reviewed Mr J's complaint and didn't uphold it. It was satisfied that appropriate checks were carried out at the point of opening the account and the subsequent credit limit increase. It felt that there was no indication that the repayments were unaffordable.

An investigator then reviewed the merits of Mr J's complaint, and didn't think Zable had done anything wrong.

Mr J disagreed with our investigator's opinion. In summary he felt that a more thorough check would have shown this to be unaffordable, and Zable hadn't taken into account his previous defaults and debt management plan.

Because an agreement couldn't be reached, the complaint has 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, I'm not upholding this complaint. I know this will disappoint Mr J, so I'll explain why.

The rules and regulations in place at the time Zable provided Mr J with the credit card, and subsequently increased the limit, required it to carry out a reasonable and proportionate assessment of whether he could afford to repay what he owed in a sustainable manner. This is sometimes referred to as an 'affordability assessment' or 'affordability check'.

The checks had to be 'borrower' focused. This means Zable had to think about whether repaying the credit sustainably would cause difficulties or adverse consequences for Mr J. In other words, it wasn't enough for Zable to consider the likelihood of it getting the funds back – it had to consider the impact of any repayments on Mr J.

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 Zable did what it needed to before providing the credit card and subsequently increasing the credit limit.

Mr J has provided a lot of information to this service and I'd like to thank him for that. Although I will not refer to everything below, Mr J can be assured that I have considered all of the evidence supplied, but will only comment on the key elements relevant to my decision.

Zable used information declared by Mr J in his application and used data supplied by a credit reference agency (CRA) to help it see whether the credit was affordable for Mr J.

In his application Mr J declared a net monthly income of around £1,640. The information Zable obtained showed Mr J had a number of historic defaults, but a low level of debt on active accounts, which appeared to be well managed.

Zable used all this information, and internal modelling to calculate cost of living expenses, before providing the credit card. Its checks suggested Mr J had a sufficient disposable income after his essential spend and existing credit commitments.

Zable could see on the information from the CRA that repayments were still being made towards the debts that had defaulted. Where the accounts were identified as in default, the current outstanding balances were lower than the default balance, reducing each month. This is an indicator that a debt management plan might be in place, so Zable should have considered this within their affordability calculations.

From the information provided, it isn't clear whether Zable included these repayments in their assessment, so as part of my review I have done so, by adding the monthly repayments to the other expenditure that Zable had used.

Having done so, alongside considering all the other evidence, I am comfortable that even when including the debt management plan repayments, this still appears to be affordable.

Zable took a similar approach to assessing affordability prior to the credit limit increase.

Zable was also able to see how Mr J was managing his credit card account. It used all of this information before deciding whether to offer an increase.

Whilst Mr J's overall debt had increased during this period, the credit limit increase appeared affordable. The repayments that would be required, should the increased credit limit be fully utilised, would have been only around £25 per month.

In conclusion, I don't think Zable were irresponsible when providing Mr J with the credit card, or when it increased the credit limit.

Mr J is also unhappy with the amount of time Zable took to respond to his complaint. The complaint handling itself, in this scenario, isn't a regulated activity that this service can look into. I can however see that Zable have apologised and offered £25 by way of apology. Whilst I haven't looked into this aspect, for the reasons explained above, this appears to be reasonable.

In reaching my conclusions, I've also considered whether the lending relationship between Mr J and Zable might have been unfair to Mr J under Section 140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that Zable did not lend irresponsibly when providing Mr J with the credit card or when it increased the limit, or otherwise treated him unfairly in relation to this matter. And I haven't seen anything to suggest that Section 140A of the CCA would, given the facts of this complaint, lead to a different outcome here.

Whilst I know this will disappoint Mr J, for the reasons outlined above, I'm not upholding his complaint.

My final decision

It's my final decision that I don't uphold this complaint against Lendable Ltd, trading as Zable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or

reject my decision before 10 April 2026.

David Barker
Ombudsman