

The complaint

Mr S complains that Logbook Lending Limited trading as Logbookloans247 was irresponsible in its lending to him, applied unfair and disproportionate charges to his account and didn't provide sufficient forbearance.

Mr S wants a refund of all interest and charges along with statutory interest, the removal of any adverse information from his credit file and compensation for the distress and inconvenience he has been caused.

What happened

Mr S was provided with a £1,500 loan by Logbookloans247 in March 2023. The loan term was 18 months, and Mr S was required to make weekly repayments of £53.85 (£233.35 a month).

Mr S said that he began to experience financial hardship almost immediately after taking out the loan and struggled to maintain his payments. He believes that the checks undertaken before the loan was provided weren't adequate. He said he had a high level of existing debt and his mortgage payments were £1,600 a month.

Mr S explained that an enforcement agent attended his property in October 2024 without prior notice and that the agent left a threatening voicemail that mentioned a repossession order and a threat to report the car to the police as stolen. He said that extortionate fees were added to his account.

Logbookloans247 issued a final response to Mr S not upholding his complaint. It said that before lending it had carried out a credit search and obtained bank statements through open banking. It said the bank statements showed Mr S to have an average income of around £5,735 and that after deducting amounts for his expenses he was left with around £2,214 of disposable income. It found that its check showed the loan to be affordable.

Logbookloans247 said that when Mr S's account went into arrears it made several attempts to contact him. It explained that Mr S contacted it on 2 January 2024, saying he needed more time to make his payments, but when it tried to contact him about this, it was unsuccessful and a default notice was issued in January 2024. Following this Mr S said he would bring his account up to date. This didn't happen and it said it showed forbearance by postponing enforcing the default. A further default notice was issued in August 2024 and following contact from Mr S 30 days breathing space was provided. As payment wasn't received Mr S's account was passed to an external recovery company in September 2024. Logbookloans247 said that charges had been applied to Mr S's account in line with the agreement terms. While Logbookloans247 didn't uphold this complaint it offered as a gesture of goodwill to refund £60 of charges. Logbookloans247 then increased its offer to Mr S to £250.

Mr S didn't accept Logbookloans247 offers and referred his complaint to this service.

Our investigator thought that the checks carried out before lending were sufficient given the

size of the loan being provided. He found that based on these Logbookloans247 had made a fair lending decision. Regarding Logbookloans247's treatment of Mr S when he fell into financial difficulties, our investigator noted that Logbookloans247 had postponed taking action in January 2024. It had then provided breathing space following the default notice being issued in August 2024. He thought this, along with the attempts made by Logbookloans247 to contact Mr S, was reasonable.

Our investigator noted Mr S's comment about the charges applied to his account but said these had been applied in line with the agreement and were disclosed in the agreement which Mr S signed. He noted the offer of £250 made as a gesture of goodwill by Logbookloans247, and he thought this was reasonable.

Mr S didn't accept our investigator's view. He didn't think Logbookloans247 actions were fair or proportionate particularly given the financial difficulties he was experiencing. He said the enforcement action was threatening and he repaid this agreement under duress and that this directly affected his ability to meet his other essential costs. He said the £360 enforcement fee was disproportionate given his vehicle wasn't recovered. Mr S said the agreement was unsustainable over the term and rather than responding to Mr S's situation, Logbookloans247 kept applying charges. Mr S doesn't accept that Logbookloans247 treated him fairly or proportionately given his circumstances.

Our investigator responded to Mr S's comments, but as these didn't change his view, and a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a decision.

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.

Mr S has raised three main concerns. The first, that the loan wasn't sustainably affordable and was lent irresponsibly, the second that unfair charges were applied to his agreement and the third was that he wasn't treated fairly or with reasonable forbearance when he experienced financial difficulties. I have dealt with each of these issues below.

Irresponsible lending

Our general approach to complaints about unaffordable or irresponsible lending – including the key rules, guidance and good industry practice – is set out on our website.

The rules don't set out any specific checks which must be completed to assess creditworthiness. But while it is down to the firm to decide what specific checks it wishes to carry out, these should be reasonable and proportionate to the type and amount of credit being provided, the length of the term, the frequency and amount of the repayments, and the total cost of the credit.

As part of the application process, Logbookloans247 undertook credit and affordability checks. An income and expenditure assessment was carried out and Logbookloans247 had access to Mr S's account statements through open banking. Given this it was able to verify his income and expenses and the statements along with his credit report provided information about his existing credit commitments.

Given the size of the loan and repayments compared to Mr S's income and noting that Logbookloans247 was able to verify Mr S's income and expenses through his account statements, I find the checks carried out were proportionate. I have then considered the

information these identified to see if this should have raised concerns.

Mr S's open banking data showed that he had taken out two small loans in the preceding few months which I do not think were reasons on their own not to provide further finance. His account statements showed he was operating at his overdraft limit and had returned direct debits. This appears to be a result of Mr S transferring most of his income from the account once received. I think this could suggest that Mr S was struggling financially, and so it was important to ensure that based on Logbookloans247's checks the loan appeared affordable with a reasonable buffer for any unforeseen costs.

Mr S's income was identified to average around £5,735. His mortgage had monthly repayments of £1,647 which Mr S said he split with his wife. Additional to this he had loan and credit card debt. There were no county court judgments or individual voluntary arrangements noted in his report and his total repayments towards his existing credit commitments were calculated as around £1,270. Details of Mr S's expenses were collected and these totalled around £1,590 a month. Deducting Mr S's costs from his income left a reasonable disposable income. Therefore, while I note there was some adverse data identified through the checks, as the loan appeared affordable, I do not find I have enough to say this shouldn't have been given.

Charges applied to the agreement

Logbookloans247 noted in its final response that £192 of administration charges had been applied to Mr S's account and that further charges would be applied if the account was placed into default. I have looked through the credit agreement, and this sets out the charges that will be applied if reminders for payments were sent or default notices issued, which happened in the case of Mr S. I have nothing to suggest these were applied incorrectly.

Following the default of Mr S's account Logbookloans247 transferred his account to an external recovery company. I cannot say it was wrong to do this. At this point a £360 charge was applied. I appreciate that the car wasn't collected as Mr S settled the account, but as the process of passing the account to the debt collection agency had occurred, I do not find I can say that it was wrong for the charge to be applied.

Support when Mr S experienced financial difficulties

Mr S has explained that he fell into financial difficulties shortly after receiving the loan. I am sorry to hear that he has struggled and I can understand that he wanted Logbookloans247 to support him at this time. Logbookloans247 has provided details which show it tried to contact Mr S after he alerted it to issues with his payment in January 2024. It then postponed its actions when Mr S said he would bring the account up to date. Mr S made a payment but this wasn't enough to satisfy the notice of default and a further postponement of action was applied. Following the issuing of a default notice in August 2024, breathing space was added to Mr S's account and Logbookloans247 tried to contact Mr S but wasn't able to do so. Had contact been made there may have been other action that could have been discussed. So, while I understand this was a difficult time for Mr S, I find that Logbookloans247 did try to work with him and showed forbearance.

I note the upset Mr S was caused by the collection agent when it visited his property without notice. However, this complaint is about the actions taken by Logbookloans247 and I do not find they were wrong to pass the account to recovery agents when the account defaulted. The bill of sale Mr S signed as part of his agreement set out that if Mr S defaulted on his account the Lender, or its agents could, without previous notice seize and take possession of the vehicle. So, I find that Mr S was informed of the action that could happen in the case

of his account defaulting. I note Mr S settled his account and so the car wasn't collected.

I've also considered whether Logbookloans247 acted unfairly or unreasonably in some other way given what Mr S has complained about, including whether its relationship with Mr S might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Logbookloans247 lent irresponsibly to Mr S or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

While Logbookloans247 rejected his complaint, it did, as a gesture of goodwill, offer Mr S £250. It has confirmed this offer is still available to Mr S. If Mr S wishes to accept this offer he should contact Logbookloans247 directly.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 March 2026.

Jane Archer
Ombudsman