

## **The complaint**

Mr C has complained that Chetwood Financial Limited trading as LiveLend acted irresponsibly when it provided him with a £5,000 loan in April 2022.

## **Background**

Mr C applied for, and was given, a £5,000 loan from Chetwood Financial in April 2022. The term of the loan was 42 months and Mr C was required to repay a total of £7,328.47.

Mr C has told us that at the time he took out the loan he had taken out six other loans in quick succession and was relying on credit cards and his overdraft to meet his monthly outgoings. He has said that he had a history of missed payments at this time as well.

Chetwood Financial has said that it ran all the necessary and required checks at the time Mr C applied for the loan. It said that his credit file showed only one credit card and no missed payments. It believed that the loan was affordable and has provided evidence to substantiate that claim. As it didn't think it was wrong to provide the loan to Mr C it didn't uphold his complaint.

I issued a provisional decision on 17 November 2023. In it I said that I'd not seen sufficient evidence from Mr C to support his allegation that the loan wasn't affordable. So even though I thought the checks completed by Chetwood Financial could've been more thorough I didn't uphold the complaint. I asked both parties to respond by 8 December 2023 after which time I would reconsider any additional information or comments.

Chetwood Financial confirmed it had nothing further to add.

Mr C responded to the provisional decision saying he disagreed with my findings. He provided a copy of his credit file from March 2022 to support his allegation that the lending was unaffordable.

## **My findings**

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, and having reviewed the information provided by Mr C, I'm still of the opinion that there was nothing to indicate to Chetwood Financial that the lending was unaffordable. I know this will come as disappointment to Mr C so I'd like to explain my reasoning.

In his response to the provisional decision Mr C said that he had missed a number of payments to existing credit providers before applying for the loan with Chetwood Finance.

Having reviewed the file I can see that Mr C had two credit cards. The first was just over its limit (at 101%) and the second one had some missed payments showing in the statement history. However, these missed payments were from July and August 2021 and so some

eight to nine months prior to this lending. Since then, the card had been well maintained and there were no other missed payments.

All the other active accounts on Mr C's credit file were up to date. In addition to this I can see that in February 2022, shortly before taking out the loan with Chetwood Finance Mr C appears to have been approved for a mortgage. While I still accept the checks that were completed by Chetwood Finance could've been better, I don't think it's likely that he would've been approved for a new mortgage deal less than two months prior to applying for the loan if he had been showing signs of financial instability.

Therefore while I appreciate Mr C sending us his credit file, I still don't think that evidence of some arrears on one of his credit cards, over eight months prior to applying for the loan with Chetwood Finance was enough to demonstrate that the loan wasn't affordable. Which means I'm not upholding his complaint.

### **My final decision**

For the reasons set out above I don't uphold Mr C's complaint against Chetwood Financial Limited trading as LiveLend.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 5 January 2024.

Karen Hanlon  
**Ombudsman**