

The complaint

Mrs L complains about the way that Shop Direct Finance Company Limited, trading as Littlewoods, has dealt with the payments that she's made to her account. She's being helped with her complaint by her daughter.

What happened

Mrs L says that she's been a customer of Littlewoods for more than twenty years but is concerned about the way that it's allocating her payments to her account – she says it seems to be allocating them to whatever items it like and not chronologically. She complained to Littlewoods but is said that her account was correct and there had been no business error. It said that there was no way to target a payment to a specific item on the standard account. Mrs L wasn't satisfied with its response so complained to this service. She says that she just wants to pay what she owes - no more or no less – but Littlewoods has given her wrong information and she made a data subject access request but there are months of missing data.

Our investigator didn't recommend that Mrs L's complaint should be upheld. She said that she'd reviewed the account statements that Littlewoods had provided and the payments were being allocated in accordance with the terms and conditions of the account – so she couldn't say that it had acted unfairly.

Mrs L's daughter, on her behalf, has asked for this complaint to be considered by an ombudsman. She says that Mrs L has always paid more than the minimum payment and knows that she's cleared items from her account well within the time frame but is still being charged for them by Littlewoods. She says that Mrs L asked for details of her account going back to 2018 as that's when it appears that the issues started but it couldn't fully provide it and there's a period of six months that has been blacked out and that when she phoned it there were many discrepancies between items and amounts, some of which were changed.

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 agree with the outcome recommended by our investigator for these reasons:

- the terms and conditions of the account set out the order in which payments to the account are allocated against payments and charges and Littlewoods has provided extracts from its system notes which show how payments have been allocated to Mrs L's account;
- Littlewoods had also provided statements for Mrs L's account from March 2018 but those statements do appear to be incomplete and I can understand the frustration that that has caused to Mrs L and her daughter;
- they clearly feel strongly that Littlewoods hasn't allocated Mrs L's payments correctly and that she's paid more interest than she should have done but, from the

information that Littlewoods has provided, I consider that Littlewoods has applied the payments from Mrs L to her account in the order set out in the account terms and conditions;

- Mrs L isn't able to target a payment to a specific item on the account and payments aren't applied chronologically – they are allocated in the order set out in the terms and conditions;
- I'm not persuaded that Mrs L and her daughter have provided enough evidence to show that Littlewoods has made errors in the allocation of Mrs L's payments to her account, that the account is incorrect, or that it has treated Mrs L unfairly or unreasonably; and
- I sympathise with Mrs L for the issues that she's experienced but I find that it wouldn't be fair or reasonable in these circumstances for me to require Littlewoods to change the way that it's allocated payments to her account, to refund any payments to her, to pay her any compensation or to take any other action in response to her complaint.

My final decision

My decision is that I don't uphold Mrs L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 8 August 2022.

Jarrold Hastings
Ombudsman