

The complaint

Mr M complains that he was unable to make payments to his Creation Consumer Finance Ltd account.

What happened

In September 2024, Mr M raised a complaint with Creation because he found that he couldn't make payments to his account and he was unhappy that Creation considered his account to be in arrears.

Creation responded to Mr M and explained that they tried to take Mr M's monthly payment via direct debit on several occasions, but the payment had been declined. Creation also explained that Mr M had also tried to pay by standing order but noted that he appeared to have set the standing order up too late in the month, so that his monthly payment was received after it was due. Because of this, Creation didn't feel that they'd done anything wrong in how they'd administered Mr M's account payments. Mr M wasn't satisfied with Creation's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Creation had acted unfairly as Mr M contended and so didn't uphold the complaint. Mr M remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

In his referral of his complaint to this service, Mr M stated that it was impossible to make a payment and that Creation's mobile app didn't allow an account holder to make a payment through it.

But Creation have provided information to this service which I'm satisfied show that Mr M had a direct debit set up to make his monthly payments. And that direct debit failed on several occasions, with the information that Creation received from the sending bank indicating that the reason the payment failed was that there wasn't enough money in Mr M's bank account for the payments to be successful.

Mr M has said that his bank from which the payments were being sent mistakenly thought that the Creation direct debit might be a scam payment, and so didn't allow it to go through. But whether the payments failed because Mr M didn't have the money in his account to make them, or because Mr M's bank mistakenly didn't allow them to complete, I'm satisfied that Creation didn't act unfairly in either scenario. And, ultimately, it was Mr M's responsibility to have monitored his account, to have understood that payments weren't made, and to have made the required payments via a different channel if necessary.

Creation have also explained to my satisfaction that they sent missed payment arrears letters to Mr M, and these letters included information on the many different payment

methods available to Mr M, including bank transfers, standing order payments, and payments by post or by telephone. Mr M could also have called Creation and obtained information verbally about how he could make his payments.

Accordingly, I don't accept Mr M's statement that he couldn't make his payments to Creation, because I'm satisfied that if Mr M's direct debit wasn't functioning, there were alternative payment methods available to him.

When Mr M did speak with Creation, he was given the information he needed to set up a standing order to make payments. Mr M subsequently this, and I feel that this demonstrates that Mr M could and reasonably should have taken action to make his payments via an alternative method before that time. I'm also satisfied that it was for Mr M, having been given that information, to ensure that any payments he made by standing order were received by Creation at the correct time.

Ultimately, Mr M missed several payments on his account, and I feel that Mr M himself should fairly and reasonably be considered responsible and accountable for that. Accordingly, I won't be upholding this complaint as Mr M would like because I don't feel that Creation have acted unfairly here. Instead, I feel that Mr M didn't meet his responsibilities, as the account holder, to ensure that the required monthly payments to the account were made.

Finally, in his submission to this service, Mr M raised some additional points of complaint. However, this service can only consider points of complaint that have already been raised directly with the respondent business, and where that business has had the formal opportunity to consider and respond to those points of complaint. This isn't the case in regard to these additional points of complaint.

As such, I can only refer Mr M to Creation to raise those additional points of complaint with them, so that Creation has the formal opportunity to consider them. After which time, Mr M may have the right to refer those points of complaint to this service, should he wish to do so.

I realise this won't be the outcome Mr M was wanting, but I trust that he'll understand, given what I've explained, why I've made the final decision that I have.

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 M to accept or reject my decision before 30 September 2025.

Paul Cooper
Ombudsman