

The complaint

Next Retail Limited provided Miss B with a catalogue account in June 2022. It had a credit limit of £300. Miss B says the credit was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website and I've taken this into account in deciding Miss B's case.

I've decided the catalogue account was provided fairly because:

- I think the checks Next did before providing the credit were reasonable and proportionate given the low credit limit it offered and what it knew about Miss B's financial situation.
- Based on the information Next gathered and what it knew about Miss B's circumstances, there was nothing to suggest Miss B was likely to be unable to sustainably repay what she was being lent.
- I appreciate Next's credit checks did highlight some negative markers, such as defaults. However, they were historic. I'm not persuaded those markers from around four years prior would have been enough for Next to conclude lending in 2022 was likely to be unaffordable or unsustainable for Miss B.
- I don't think Next acted unfairly in any other way.

This means I don't think Next did anything wrong when it provided the catalogue account to Miss B.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Next lent irresponsibly to Miss B or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Miss B hoped for. But for the reasons above, I'm not asking Next to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss B's complaint about Next Retail Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 14 November 2025.

Sarrah Turay
Ombudsman