

The complaint

Mr F has complained about the way Sky UK Limited treated him in relation to two credit agreements that were taken out to purchase devices.

Mr F has been represented at times but, to keep things simple, I'll refer to Mr F throughout.

What happened

The circumstances of the complaint are well known to the parties so I won't go over everything again in detail. But, to summarise, Mr F said he bought two handsets in July 2024 in a Sky store. He said he was given incorrect information by an agent. He said Sky didn't tell him credit searches would be carried out or that he was entering into credit agreements. He said the agent asked him to sign a tablet several times but there was only a signature box present.

Sky said Mr F agreed to the credit searches and agreements. But it accepted something may have gone wrong in the store so offered £50 compensation which it later increased to £75. Mr F thought removal of the hard credit searches, along with £100 compensation was more appropriate in view of his perceived failings and the time he spent trying to resolve things. Sky declined to offer anything further.

Mr F referred his complaint to the Financial Ombudsman. He also highlighted some further issues he'd faced. One of our investigators looked into things and broadly said:

- We couldn't deal with any complaints relating to airtime agreements.
- He couldn't know what was discussed in the store, but it was plausible there was some misinformation from Sky. He thought the £75 for any potential miscommunication was reasonable.
- Sky had provided screenshots of the application process that should've been used in store, and he thought it was clear enough a credit search would be involved. He thought it would've been apparent Mr F was entering into credit agreements.
- He didn't think Mr F would've been misled into thinking he'd be paying for the devices under his airtime agreement.
- There'd not been any financial loss. Mr F was paying what was agreed for the devices.
- He didn't think it was reasonable for Sky to remove the credit searches.
- He thought Sky had sent Mr F details of the agreements.

Mr F didn't agree. In summary, he said:

- Why would he go to the lengths of wasting everyone's time if he'd been told a credit search would be carried out. He reiterated Sky told him no credit searches would be required for an existing customer who passed internal affordability checks. The tablet presented to him to sign was blank.
- He'd not been presented with any documentation in relation to the two new devices. The agreements weren't showing on his online account.
- While there'd been no financial loss, he said there'd been a breach of legislation

- and regulation.
- There was little point in removing the credit searches by this point.
 - He expected important documents to be sent by recorded delivery. And Sky hadn't supported him when he sought to contact it. The Financial Ombudsman and Sky are required to evidence the documents were given to him.
 - He reiterated he was seeking £100 compensation.

As the complaint wasn't resolved, it's been passed to me to decide.

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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr F and Sky that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Where the evidence is incomplete or inconclusive (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

The devices were paid for using fixed sum loan agreements with Sky. Our service is able to consider complaints relating to these sorts of agreements. But, as has been pointed out, I'm not able to consider complaints that solely relate to the airtime contracts Mr F has with Sky because airtime agreements don't relate to a financial service the Financial Ombudsman was set up to deal with complaints about. I'm therefore not going to be commenting on any alleged issues Mr F may have had with regards to his airtime.

It's important to note I'm primarily required to consider what happened up to the point the respondent sent its final response letter because the issues preceding this relate to what it's had the chance to consider. If Mr F is unhappy with something that's happened with Sky after we took on this complaint, he'd need to take it up with Sky in the first place.

I think it's also important to highlight that if Mr F wants someone to rule on the enforceability of the agreements he may wish to seek independent legal advice. It's not my role to say whether an agreement is enforceable or not because that would be a matter for the court.

However, I'm able to decide the complaint by deciding what I think is fair and reasonable. From what I've seen, what it seems to boil down to is whether Sky needs to take any further action.

It's not in dispute Mr F decided to buy the devices, and he said Sky told him his payments he was already making to Sky for services would simply increase. He said he signed blank screens on the tablet in store and was assured no credit search would take place.

Sky on the other hand said the process in store is that Mr F would've been taken through the application, notified a credit search would be carried out, and he was required to sign the credit agreements.

I'm never going to know exactly what happened in the store. Even if I were to accept Mr F was misled in some way, as he's pointed out, removing the credit searches at this stage, if still present, is not likely to impact him. I've not seen they caused any notable detriment. I'm

conscious the credit searches are a true reflection of what actually happened (even if Mr F had been misled). So I'm not going to direct Sky to remove the credit searches.

While Mr F has questioned the enforceability of the agreements, he's acknowledged he agreed to pay for the devices. I don't find I have the grounds to direct Sky to cancel the agreements or take any other action on them. On balance, I think Mr F did agree to them and I think Sky likely wrote to him about them. And there wouldn't be a practicable way for Mr F to pay for the devices without the agreements being present.

In any event, it seems the main thing left in dispute is the compensation. Sky offered £75. Mr F requested £100. No amount of money is going to change what's happened. I think the compensation offered seems broadly fair for any alleged failings from Sky – bearing in mind the scope of what I can decide within this complaint. So I'm not going to direct it to do more. Mr F doesn't have to accept this decision. He's free to pursue the complaint by more formal means, such as through the courts, if he thinks he'd achieve a more generous outcome.

My final decision

Sky UK Limited has offered £75 to settle the complaint and I think this is fair in all the circumstances. So my decision is that Sky UK Limited should pay Mr F £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 17 October 2025.

Simon Wingfield
Ombudsman