

## **The complaint**

Creation Consumer Finance Ltd (Creation) provided Mrs S with a loan for £10,000 in 2018. Mrs S 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.

Having considered everything, I'm not upholding Mrs S's complaint. I'll explain my reasoning below:

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 Mrs S's case.

I've decided the credit was provided fairly because:

- Due to the time that's passed since the lending decision, Creation hasn't been able to provide evidence of all the checks they made before providing the credit. So, I can't be certain those checks were reasonable and proportionate, given the credit offered.
- If Creation had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Mrs S.
- Creation says Mrs S declared an annual income of £22,800 at the time, which they went on to use for affordability purposes. It isn't disputed Mrs S earned less than this, with her confirming to our service she was earning £28,000 at the time.
- Creation says Mrs S had existing credit commitments of around £58 a month. Having looked at an up-to-date copy of her credit file, I'm satisfied that this is more likely than not what they saw at the time, with them having included the repayment towards the existing finance held with them.
- Mrs S took out a large loan less than two months prior to her application with Creation. While this shows on her up-to-date credit file as having been opened in May 2018, this is retrospective. And with new accounts often taking some time to report to the credit reference agencies, it's not unreasonable this wouldn't have been seen within the existing credit commitment data Creation received.
- Mrs S was able to provide statements for some of her bank accounts at the time, but not all. Having reviewed the statements I have seen, and after including the rent payment Creation used from the time of the application, had they asked Mrs S about

her other essential expenditure, I think they more likely than not concluded she had a monthly disposable income of around £1,010.

- So, based on the information Mrs S provided about her circumstances at the time, there is nothing to suggest that Mrs S was likely to be unable to sustainably repay what she was being lent.
- I don't think Creation acted unfairly in any other way.

This means I don't think Creation did anything wrong by providing the loan to Mrs S.

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 Creation lent irresponsibly to Mrs S 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 Mrs S hoped for. But for the reasons above, I'm not asking Creation to do anything to put things right. here

### **My final decision**

My final decision is that I'm not upholding this complaint about Creation Consumer Finance Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 7 January 2026.

Sean Pyke-Milne  
**Ombudsman**