

## The complaint

Mrs J complains Creation Consumer Finance Ltd (Creation) pursued her for the wrong monthly repayment on a fixed-sum loan it provided.

## What happened

As the facts are well-known to both parties, I've only set out the key events below.

On 5 June 2023, Mrs J bought a kitchen from a home improvement retailer with a fixed-sum loan provided by Creation on a Buy-Now-Pay-Later basis.

The loan agreement shows the first monthly repayment of £182.94 was due on 3 July 2024. Creation collected this repayment as scheduled, but Mrs J then cancelled the direct debit and stopped making further payments.

On 11 July 2024, Mrs J called Creation to complain. She said she never agreed to a monthly repayment of £182.94 and believed it should have been lower.

Creation's final response dated 3 September 2024 said Mrs J agreed to the terms of the loan agreement she electronically signed on 5 June 2023, so it would not reduce the payment. It continued to pursue her for the arrears on the account.

On 11 November 2024, Mrs J referred her complaint to the Financial Ombudsman Service. She said the salesperson promised her that Creation would send her a copy of the loan agreement but it never did. She also said Creation never contacted her after the sale as it was supposed to. She didn't think she should have to pay what it demanded.

Our investigator said Mrs J had agreed to repay the loan at £182.94 per month, likely received a copy of the agreement, and was made aware of the repayment terms early on. She didn't think Creation acted unfairly and didn't uphold Mrs J's complaint.

As Mrs J disagreed, the complaint has come to me for a 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.

I've summarised the complaint in my own words and I'm not responding to every argument. No discourtesy is intended by this. Our rules allow me to do this given the informal nature of our service. If there's something I've not mentioned, it isn't because I've ignored it. Rather, I'm satisfied I only need to focus on the key points to reach what I think is the right outcome.

### Information provided to Mrs J

On balance of probabilities, I think it's likely Mrs J was provided with the loan agreement and was notified of the £182.94 contractual monthly repayment on several occasions.

In coming to that conclusion, I've considered what Mrs J said and the following evidence:

- A copy of the loan agreement with Mrs J's direct debit authorisation and her electronic signatures. The agreement states the monthly repayment is £182.94.

Creation said Mrs J would have been given a copy of the agreement in store.

- A copy of a letter dated 5 June 2023 listing Mrs J's correct address, her direct debit details, and the £182.94 contractual monthly repayment.

This letter invited Mrs J to contact Creation if anything was wrong. However, there's no record of Mrs J challenging the £182.94 monthly repayment until after the first payment was taken on 3 July 2024.

- A copy of Creation's "welcome" letter dated 5 June 2023 that it sent to Mrs J after the sale. As above, the letter lists the same address Mrs J provided to our service and matches the same address on Creation's systems.

This letter explains how Mrs J could register for Creation's "Online Account Manager" (OAM), an online portal that gives her access to her loan agreement.

- System screenshots with timestamps showing Mrs J registered for the OAM on 4 July 2024 and logged into the portal on 10 September 2024.

It's possible the salesperson never gave Mrs J a copy of the loan agreement. It's also possible Mrs J never received either of Creation's letters explaining the monthly repayment was £182.94. For example, both letters could have been lost in the post.

However, Creation sent information about the loan to Mrs J on several occasions and Mrs J hadn't complained about not receiving a copy of the agreement until 13 months later. This delay is consistent with a consumer who likely had received information about the loan and was initially happy with the agreed arrangement. Moreover, Mrs J's OAM registration is consistent with her having received the welcome letter containing the registration instructions. And given she logged into the portal in September 2024, I think it's likely she accessed the information contained there, including a copy of the loan agreement.

Taking all the above into account, I find it likely that Mrs J had access to the loan agreement and was made aware of the £182.94 contractual monthly repayment. As Mrs J stopped repaying the loan, Creation was entitled to pursue her for the arrears on her account.

#### Duty to provide an executed credit agreement

I think Mrs J was likely provided with a copy of the loan agreement. But for completeness I've considered whether a failure to initially provide Mrs J with a copy would have made a difference, notwithstanding Creation having sent Mrs J a copy around November 2024.

The relevant law is set out in section 61A of the Consumer Credit Act 1974 (CCA), which creates a statutory duty on Creation to provide Mrs J with an executed consumer credit agreement. If Creation doesn't provide Mrs J with a credit agreement, Creation would only be able to enforce the agreement with a court order.

However, the agreement wouldn't be void and Mrs J would still be bound by its terms. Put simply, it wouldn't be unfair for Creation to ask Mrs J to meet her contractual obligations even if it hadn't provided her with a copy of the loan agreement.

#### The agreed contractual monthly repayment

I appreciate Mrs J remembers the retailer quoting (and her agreeing to) different repayment terms. But as there's no evidence of that conversation, I'm more persuaded the agreed terms are those that are set out in the loan agreement with her electronic signature.

As these terms state Mrs J had to pay £182.94 per month from 3 July 2024, I'm satisfied Creation was entitled to pursue her for arrears arising from her not meeting the £182.94 monthly repayment.

I've also not seen anything to indicate Creation carried out its collection activities unfairly.

#### Customer Service issues

Mrs J said Creation provided her with poor service and mentioned multiple dropped calls.

I can see there was a dropped call on around 5 July 2024. It's not clear why this happened or who was responsible, but I can see Creation had tried to call Mrs J back. While I appreciate dropped calls can be frustrating, I'm not persuaded they're evidence of service that is so poor as to warrant compensation.

I've also looked at the remaining contact between Mrs J and Creation. It's clear Mrs J was unhappy with Creation's refusal to lower the monthly repayment and its later debt collection activities. I appreciate the experience would have been distressing. But as Creation was entitled to refuse Mrs J's request to amend the contract and to pursue Mrs J for the arrears on the account, I cannot fairly hold it responsible for the distress these actions would have caused. Overall, I think Creation's customer service was adequate.

The evidence shows Mrs J likely agreed to repay £182.94 per month and was made aware of that obligation. It follows that Creation didn't act unfairly in collecting that amount or in pursuing the arrears following Mrs J's missed repayments.

#### **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 Mrs J to accept or reject my decision before 13 October 2025.

Alex Watts  
**Ombudsman**