

## **The complaint**

Shop Direct Finance Company Limited trading as very provided Mr E with a catalogue account in 2022. It had a credit limit of £750. Mr E 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 Mr E'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 Mr E's case.

I've decided the credit was provided fairly because:

- I don't think the checks Shop Direct did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Mr E's financial situation.
- If Shop Direct had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Mr E.
- Based on the information Mr E has provided about his circumstances at the time; there was nothing to suggest Mr E was likely to be unable to sustainably repay what he was being lent.
- I appreciate Mr E has said he was struggling to manage his spending on gambling at the time, and this is supported by the bank statements he's provided us. However, given the modest credit limit I don't think it would have been reasonable and proportionate for Shop Direct to have reviewed his statements before lending. I think discussing Mr E's income and expenditure most likely would have been sufficient. And I think what Mr E shared would have suggested he had enough disposable income to afford the catalogue account.
- I don't think Shop Direct acted unfairly in any other way.

This means I don't think Shop Direct did anything wrong when it provided the catalogue account to Mr E.

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 Shop Direct lent irresponsibly to Mr E or otherwise treated him 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 Mr E hoped for. But for the reasons above, I'm not asking Shop Direct to do anything to put things right.

### **My final decision**

My final decision is that I'm not upholding Mr E's complaint about Shop Direct Finance Company Limited trading as very.

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

Sarrah Turay  
**Ombudsman**