

## **The complaint**

Creation Consumer Finance Limited, trading as Creation ('Creation') provided Mr B with a loan in November 2024. The loan was for £1,241.44 and was to be repaid by way of 18 monthly repayments of £96.07. Mr B says the loan 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 Mr B's case.

I've decided the loan was provided fairly because:

- I think the checks Creation did before providing the loan were reasonable and proportionate given the amount it was lending, the payment term, and what it saw about Mr B's financial situation, including the debt he already owed elsewhere.
- Mr B told Creation about his income and his residential status. Creation ran a credit check which showed he was paying around £533 per month on credit cards and another £345 on a mortgage. It didn't show any recent issues with Mr B's credit history. Although his level of debt looked to be fairly high, the checks showed he was likely to have sufficient disposable income to be able to meet his regular committed spending each month and to sustainably repay the new loan.
- I think Creation was entitled to rely on what the credit check showed. I've also kept in mind that the loan would be paid off in 18 months, which I think made it more sustainable and with a level of payment he'd likely be able to manage. I'm aware that Mr B took out additional borrowing in September 2024 which may not yet have shown up on the credit check.
- Although I think Creation's checks were reasonable and proportionate, I know Mr B has concerns about this. So I've also considered Mr B's current account statements in order to get an idea of what Creation is likely to have seen at the time of the lending. I've also looked at the other supporting evidence and information that Mr B has provided about his financial circumstances. Having considered all of this, I've still not seen enough to show or suggest that, on the particular facts of this complaint, Mr B might have been seen to be over-extending his borrowing capability – or that Creation might have thought it was necessary to carry out further checks.

- It follows that I don't consider there's enough to show or suggest to Creation that Mr B was likely to be unable to sustainably repay what he was being lent. So I think it made a fair lending decision.
- I don't think Creation acted unfairly in any other way. I've seen that it provided Mr B with a reasonable level of support when he got into difficulties with repaying the loan in 2025.

This all means I don't think Creation was unfair when it agreed to provide the loan, based on the information and evidence it gathered at the time.

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 Mr B 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 B hoped for. But for the reasons above, I'm not asking Creation to do anything to put things right.

### **My final decision**

My final decision is that I'm not upholding Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 17 March 2026.

Michael Goldberg  
**Ombudsman**