

## **The complaint**

Creation Financial Services Limited ('Creation') provided Mr B with a credit card and a flexpay store account in 2017. The flexpay account had an opening credit limit of £3,500. The credit card had a credit limit of £3,000. This was increased to £4,500 in 2018, to £6,000 in 2019 and again to £7,500 in 2019. Mr B 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 B'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 B's case.

I've decided the two credit accounts were provided fairly because:

- I think the checks Creation did before providing the accounts were reasonable and proportionate given the credit amount offered and what it knew about Mr B's financial situation. These checks showed that Mr B had a significant amount of disposable income and so he would likely have been able to afford the repayments to both of the accounts.
- I don't think the checks Creation did before increasing the credit limit on the credit card were reasonable and proportionate, given the size of the increases and what it knew about Mr B's financial situation.
- However, had Creation had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the new credit limits to Mr B.
- Based on the information Mr B has provided about his circumstances at the time, there was nothing to suggest that he was likely to be unable to sustainably repay what he was being lent. Whilst Mr B's income did vary as he was self-employed. His bank statements indicate that, on average, he would have enough left over to make repayments to the lending.
- Mr B thinks that Creation should have looked in much more detail at his finances. And clarified which was his, and his partners' income and expenditure. He also thinks it should have looked at tax returns, or similar, to determine his income, and use this to forecast what he would receive over time. I don't agree with this. I think given the

nature of the accounts and the amount of credit provided, and what Creation already knew about Mr B's circumstances, this would be a more detailed check than would be necessary and wouldn't be proportionate here.

- In saying this, I've borne in mind that the two credit accounts had reasonable credit limits and the minimum repayments to these would have been lower. And Mr B did have some other credit, but he was repaying this without problems. And he made repayments to the Creation accounts without issue, as he says. This would give Creation, over time, a degree of confidence that Mr B could manage and repay credit reliably, which would have been especially important when it increased the credit limit on the card.
- I don't think Creation acted unfairly in any other way.

This means I don't think Creation did anything wrong when it provided the credit card and increased the limits as well as providing flexpay account to Mr B.

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 this complaint about Creation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 11 February 2026.

Andy Burlinson  
**Ombudsman**