

The complaint

Mrs B complains about the way Shop Direct Finance Company Limited trading as Very ('Very') handled matters when her credit account went into arrears.

What happened

The background to this complaint is well known to both parties so I'm not going to repeat this here. Instead, my decision will focus on reasons for the outcome I've reached.

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.

By way of background, I spoke to Mrs B about this complaint in early December 2025. I told her the reasons why I wasn't intending to uphold this complaint. Mrs B disagreed providing detailed reasons for doing so. In my initial view which was sent to both parties I explained the reasons why I wasn't upholding the complaint which I've summarised below.

The issue here is that Mrs B doesn't believe Very gave her a chance to repay the debt she owed to it in 2019. As I discussed with Mrs B, I can see her rolling credit account from which she could order goods started to go into arrears in, or around, late 2018. I accept that payments were made, but Very's system notes shows the arrears continued which led to a default notice being issued to Mrs B in August 2019.

From what I can see Very has taken a number of reasonable steps to contact Mrs B before her account was defaulted. For example, its system notes show Very contacted Mrs B by phone on 3 September 2019 – these notes show that an agent called Mrs B which was shown by the acronym 'CCO' which Very told me stands for 'Customer Call Out'. This record shows the agent recording that Mrs B was in financial difficulties. Before this call, a default notice referred to as a 'section 87 notice' was sent to Mrs B in August 2019. And further default notices were issued in late 2019 and in early 2020. I think this is likely to be because there was no arrangement in place to pay off the arrears which remained outstanding. This is what led to the debt being sold to a third party debt collection agency who I'll refer to as 'L' in May 2020.

Mrs B has said that Very hadn't contacted her at all about the arrears and/or the default notices. She says she believes Very had the wrong phone number and email address. And because she had an additional line in her home address which wasn't correct, she was having difficulty receiving post. She said this was a general problem and several businesses had difficulty sending letters to Mrs B because of this problem which she had tried to resolve with the postal service.

Whilst I've fully taken what Mrs B has said into account, I can see she did have at least one call with Very in September 2019 and this was a 'call out' rather than a 'call in' which would suggest Very did contact her on the correct number at that point (but I accept the number it has on record isn't the number Mrs B says she has had for many years). Very's system notes also shows that Mrs B was called by a Very agent on 2 June 2020 and was told about

the account being sold to L. Even if I accept (for example) the phone number or email address Very had on record was incorrect, which is what Mrs B told me was the case, it wrote to her at her home address. And it did, on at least one or two occasions, speak to her by phone which is evident from the system notes. Based on all the evidence, I think it's more likely than not that Very made reasonable efforts to let Mrs B know about the arrears on her account and about the subsequent default notices.

I should also note here Very has confirmed that all Mrs B's statements were sent to her by post. But when I asked Mrs B about this she said she hadn't received any at her current address due to the additional line in her address. So, in effect, Mrs B is saying she didn't receive any statements from Very since 4 June 2011 as this is the date the address was recorded with that additional line in it. Even if Mrs B hadn't received statements in all this time (from 2011 to 2019), there's an expectation that in order to mitigate any problems, a consumer is expected to take appropriate steps to keep informed about their credit account particularly when it is actively being used to make purchases which was the case here.

I understand what Mrs B said about her husband being the person who deals with household financial matters such as her direct debits, which is how she thought repayments were being made to her Very account. However, on balance, I can't reasonably or fairly conclude Very was at fault because, in my view, it was providing her with clear, fair and not misleading information about what amounts were owed each month and the arrears that started to accrue from 2018 onwards.

I take on board what Mrs B says about Very not being able to produce the original default letter sent to her. But Very has been able to provide system notes, statements, contact records, a template of default letters as well as its terms and conditions. So, I think I have sufficient information to reach a decision based on all this evidence as well as Mrs B's submissions. I consider from all the evidence I do have, Very has taken reasonable steps to keep Mrs B up to date about the arrears on her account. Mrs B also said that if she'd known about the debt earlier she would've repaid it. But looking at her account which had been consistently in arrears since late 2018, there's not sufficient evidence for me to conclude that this would've been a reasonable option at this time (2018/2019) and/or that Mrs B would've been able to clear the arrears so as to avoid the account defaulting.

Under the terms of the account, Very had the option to sell the debt to a third party (which is what happened here). Mrs B's statements show that by the time the account was sold to L there was an outstanding debt of just over £4,800. So, I don't think Very has acted unfairly for selling the debt. This is standard practice across the industry and it's in line with the terms of her account.

The other point Mrs B raised is about Very and L both recording information on her credit file about the same account. Mrs B says this is for the same debt, so it isn't fair that both businesses had recorded information on her file. I've not yet seen Mrs B's credit file, which I've asked her to provide, but I can see an email was sent to her by Very in 2023, which confirmed it had removed some of its duplicate entries which L had also recorded. Very noted within its system notes that it didn't think this was inaccurate. Mrs B should note the Information Commissioner's Office (ICO), says two entries can be recorded if it is clear that they relate to the same debt. As I've said I've not seen her credit file to date, but I don't think this would change things as I think it's likely Very recorded accurate information about Mrs B's account which it is under a duty to do.

I've noted what Mrs B says about the impact of the Covid 19 restrictions. I'm sorry to hear the difficulties she experienced around this time (early 2020). However, the recording of the default and other actions taken by Very were prior to this event. Very sold the debt to L in May 2020 but by this point it had sent three default notices (August 2019, December 2019 and

February 2020) all of which were prior to the Covid 19 restrictions which started in March 2020. So, whilst I can understand why Mrs B may have had to pause payments at this point (from March 2020), given the debt arose from late 2018 onwards, and the defaults were issued in 2019, I can't say Very acted unfairly or unreasonably in this regard.

In terms of what Mrs B said in response to my initial findings, I can't see she's added anything substantially new. I take on board the fact her complaint relates to the period 2019 to 2020. However, for context I've referred to the earlier dates as this led up to Very contacting Mrs B about the arrears. And whilst I note Mrs B's comments about Very not being able to provide a copy of the default notice and other letters sent to her in, or around, 2019, this is due to the passage of time. Very has nonetheless been able to provide system notes which contain contemporaneous information such as the arrears and some phone notes showing contact was made with Mrs B about her arrears.

Mrs B maintains the issue with her address meant she wasn't receiving any post from Very. Mrs B says that Very 'introduced' the additional line in her address in 2011. But she has also said this was a more general problem that she was trying to resolve with the postal service. Further, if Mrs B hadn't received any post from Very since 2011 (or any statements since that time), this was something she could reasonably have contacted Very about particularly as she was actively using the account to purchase goods. I've noted what Mrs B has said about Very selling the debt during the Covid-19 restrictions. But I don't think this was an unfair thing to do given the outstanding arrears which had been ongoing since 2018.

So, whilst I've reconsidered everything in light of Mrs B's further comments, for all the reasons set out above, and whilst I understand how strongly she feels about this situation, I'm not upholding this complaint.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 February 2026.

Yolande Mcleod
Ombudsman