

complaint

Mr B complains about the charges that Shop Direct Finance Company Limited, trading as Littlewoods, has applied to his account and about the default that it has registered on his credit file.

background

Mr B opened a Shop Direct account in December 2010. His first payment was due in January 2011 but was not received until three working days after the payment due date. A late payment fee was applied to his account and, since then, further charges have been applied to the account and a default has been registered on his credit file. He complained to Shop Direct but was not satisfied with its response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. He concluded that the January 2011 charge had been applied in accordance with the terms and conditions of the account. He concluded that, since then, Mr B had either paid less than the minimum payment required or made no payment at all so further charges were applied and the account was then defaulted and sold to a third party.

Mr B says that Shop Direct's information about the alternative ways to make payments is misleading, and that other payments that he makes using the same method of payment are received instantly. He also says that his payment receipt was sent to Shop Direct with his original complaint and was not returned to him.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Shop Direct's account statements include a section entitled: *"Choose how you want to pay!"*. It then lists a number of different methods that can be used to make payments and the section finishes by saying: *"Please allow 7 days for payments by post and 4 days for all other payment methods"*. I consider that it is clear from this that Shop Direct asks customers to allow four days for payments to be received (other than payments by post for which seven days should be allowed). Shop Direct's records show that the payment was not received until three working days after the payment due date. I am not persuaded that there is enough evidence for me to be able to safely conclude that Mr B did make his payment at least four days before the January 2011 payment due date.

I am satisfied that the late payment fee was applied to Mr B's account in accordance with the account terms and conditions. Since January 2011, he has either paid less than the minimum monthly payment or made no payment at all so Shop Direct has applied further charges to his account. It then registered a default on his credit file and sold his debt to a third party. I am not persuaded that Shop Direct has acted unfairly or unreasonably in its dealings with Mr B. I therefore do not consider that it would be fair or reasonable for me to require Shop Direct to remove the default from Mr B's credit file or to refund any of the charges to his account.

my final decision

For these reasons, my decision is that I do not uphold Mr B's complaint.

Jarrold Hastings
ombudsman