

## **The complaint**

Mr T complains that Creation Consumer Finance Ltd, who I'll call Creation, shouldn't have charged him interest on a Buy Now Pay Later transaction. He's also upset that they made adverse reports to his credit file.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my 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.

I know it will disappoint Mr T, but I don't think Creation have done anything wrong here. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

In order to avoid interest on his November 2019 sofa purchase, the fixed sum loan agreement Mr T signed with Creation explained that he needed to pay the balance of £2,300 before 24 November 2020 (the Special Offer Date or "SOD").

It's not disputed that Mr T didn't make his payment in time, but Mr T says there were reasons why he couldn't do that. He's explained that he called Creation but was unable to pass security as he didn't know his agreement number. He said that as soon as he received notification of his agreement number he made the payment and that it was therefore unfair for Creation to subsequently charge interest and to report adverse information to his credit file.

It was Mr T's responsibility to make payment if he wanted to avoid interest being applied to his account. I've been provided with a copy of the credit agreement that was signed electronically by Mr T on 24 November 2019, the agreement number is clearly stated in the right hand corner, and I therefore think it's reasonable to expect Mr T to have been able to quote it. I can also see that Creation applied a seven day period after the SOD in which they've said they would have accepted a payment without holding Mr T accountable. But as Mr T didn't contact them to ask for the agreement number until 30 November and was aware he didn't have that number by at least the 24 November 2020 (the SOD), I don't think it was unfair of Creation to add interest to the account in line with the original agreement.

I don't therefore think Creation were unreasonable to apply interest to his account. If payments haven't been made towards the fixed sum loan I wouldn't think Creation were unreasonable to do that, or to report the credit agreement to Mr T's credit file.

### **My final decision**

For the reasons I've given above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 3 August 2023.

Phillip McMahon  
**Ombudsman**