

The complaint

Mr P complains on behalf of his father (for whom he holds power of attorney) that an agreement with Anglian Windows Ltd was mis-sold.

What happened

Mr P discovered that his father took out a loan with Anglian Windows for around £2000 with a total amount repayable of around £4500.

Mr P thinks the loan was mis-sold. He says his father had no need to enter into a loan agreement because he had sufficient funds available to pay for the goods.

Mr P is concerned because his father doesn't remember taking out the loan. He's also unhappy about the level of interest under the agreement.

In response to Mr P's complaint, Anglian said that at the time of the sale it offered a discount to customers taking the finance option. It also said it operated a code of practice in relation to mental capacity and didn't consider the loan to have been mis-sold.

Mr P remained unhappy and complained to this service. Our investigator didn't uphold the complaint. He didn't think there was any evidence to suggest that the loan had been mis-sold.

Mr P didn't agree. He said if his father had understood the discount for taking out finance, he would've settled the loan shortly after inception because he had the finances available to do so. Mr P also said his father's mental capacity was already in decline at the time of the sale.

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.

Anglian has provided documents which were signed by Mr P's father at the time of the sale including a purchase order, a personal illustration and the loan agreement. The purchase order shows that Mr P's father agreed to purchase goods for £3,956 which included a discount of around £1,155 for taking out finance.

The illustration shows the terms of the loan and the amount of monthly payments. It also says that overpayments can be made to reduce the term and the overall amount payable.

Mr P says that his father didn't understand how the finance worked because he had enough money to pay for the goods outright. I can't be certain of why Mr P's father chose to take out finance but I think it's more likely to be because of the substantial discount offered, which would otherwise have been available to him. I also think the documents signed by Mr P's father made it clear that overpayments could be made if he wished so that the agreement could be repaid sooner.

Based on the documents I've seen, I'm satisfied that Mr P's father was provided with all the required information and that by signing the agreement he accepted the terms.

I appreciate that Mr P has raised concerns about his father's capacity at the time of the sale. I can't be certain of what was discussed between the salesman and Mr P's father so I'm unable to comment on the extent to which he understood the information. However, I can see that Mr P's LPA wasn't registered until January 2019. The loan was taken out in April 2016. Because of the length of time between the sale and the registration of the LPA, I can't safely conclude that Mr P's father lacked capacity in 2016.

I understand Mr P's strength of feeling about this but on the available evidence I'm unable to say that the loan was mis-sold.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 15 October 2020.

Emma Davy
Ombudsman