

## **The complaint**

Mr P complains that Lloyds Bank PLC rejected his claim under section 75 Consumer Credit Act 1974 in respect of a faulty television. He also says that it failed to handle his claim properly.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute so instead 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 done so, I agree with the conclusions reached by the investigator for the following reasons:

It has been accepted that the television which cost £2,799 was faulty and it was repaired twice. It was purchased in 2017 and came with a five-year warranty. The first repair was some two years after purchase and the second was some 18 months later. Mr P refused to take the television back and sought to reject it.

Subsequently he contacted Lloyds and it rejected his claim. He complained and Lloyds said that it considered the rejection was correct, but the wrong reasons had been given and so it paid him £30 compensation.

Mr P told our investigator that he had taken his claim against the retailer to arbitration and had been awarded compensation of £1,485 which was less than the full sum paid to reflect the use he had made of the television.

I agree that this award has addressed the issue which Mr P faced and there is no basis for a second award being made. I gather Mr P understands and accepts this. However, he thinks that Lloyds didn't handle his claim as it should and took too long. I disagree.

I have reviewed the process followed by Lloyds and see that it took the steps I would expect. It was being asked to pay out a significant sum and it had a duty to be satisfied that the claim fell within section 75. It needed to be satisfied that there had been either a breach of contract or misrepresentation. It concluded that neither had occurred and it responded within a reasonable timeframe. Although our investigator has reached a different conclusion I cannot say that it was unreasonable for the bank to respond as it did.

I can see that the reason given was inaccurate, but the bank has apologised for that and I think the offer of £30 is fair and reasonable.

## **Putting things right**

The bank should compensate Mr P.

**My final decision**

Lloyds Bank PLC has already made an offer to pay £30 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Lloyds Bank PLC should pay £30 if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 21 June 2022.

Ivor Graham  
**Ombudsman**