

The complaint

Ms P complains about the way Creation Consumer Finance Ltd handled her claim under Section 75 of the Consumer Credit Act 1974.

What happened

Ms P purchased an item of furniture from a retailer and entered into a finance agreement with Creation. The furniture was broken when it arrived. Ms P complained to the retailer, who upheld her complaint and said it would carry out repairs.

Repairs were due to take place in December 2019 but were delayed because parts needed to be ordered. The retailer went into administration before the repairs were carried out.

Ms P raised a section 75 claim with Creation. Creation didn't respond within the timescale set by the FCA so Ms P brought her complaint to this service. She says the goods still haven't been repaired and she wants a full refund.

Creation didn't respond to this service's request for a case file, so the investigator completed the investigation based on the available information. The investigator said that the goods weren't of satisfactory quality at the point of supply and that there had been a breach of contract. The investigator also said that Creation had had long enough to arrange a repair which hadn't happened, so Ms P should be entitled to a full refund together with compensation for the trouble and upset caused.

Creation didn't respond to the investigators view so I've been asked to make a final 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.

There's no dispute that Ms P was supplied with a faulty item. Creation hasn't provided an explanation for why it hasn't arranged a repair.

Based on what I've seen, I think creation has had long enough to arrange a repair. Ms P has retained the item and hasn't got room in her house to get a replacement until this matter is resolved. I don't think it's fair to expect Ms P to wait any longer for a repair.

Putting things right

Because Ms P was supplied with faulty goods, a breach of contract has occurred, and Creation must put things right. I think Creation has had a reasonable time to arrange repairs, but it hasn't done so. In the circumstances, I think its fair to ask Creation to issue a full refund and pay compensation for the trouble and upset caused to Ms P.

My final decision

My final decision is that I uphold the complaint. Creation Consumer Finance Ltd must:

Refund the full purchase price of £373.60 plus 8% simple interest from the date of payment to the date of settlement

Arrange for the goods to be collected at no cost to Ms P or pay Ms P the sum of £50 so she can arrange for the goods to be disposed of

Pay compensation of £150 to reflect the delays in resolving the matter and for the trouble and upset caused to Ms P

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 22 March 2022.

Emma Davy
Ombudsman