

The complaint

The estate of Mrs B complains about the response of Creation Consumer Finance Ltd to a claim made under section 75 of the Consumer Credit Act 1974. The claim was made in relation to a regulated fixed sum loan agreement provided as part of a Green Deal Plan to partially fund the purchase of solar panels.

What happened

Sadly, since this complaint was originally brought to us, Mrs B has passed away. I would like to start by expressing my condolences to her family. Her estate is represented by her daughter, Ms K, who also acted as Mrs B's representative when dealing with Creation.

In 2017, Mrs B was sold some solar panels by a third party. The solar panels were to be funded through a Green Deal Plan and this involved Creation providing a loan of just under £5,000.

In 2020, Ms K contacted Creation to raise a claim under section 75 of the Consumer Credit Act 1974. She followed this up with a number of emails, but she says she did not receive a substantive response. So, a complaint about this was brought to this service.

Since then, Creation has provided a copy of the response it says it sent to Ms K at the time of the claim. This offers to cancel the agreement, refunding all of the payments made under the agreement, with interest. But, whilst Ms K was satisfied with the offer and accepted it as settlement of Mrs B's claim, she remains unhappy with Creation's handling of the claim.

Our Investigator noted the offer letter is not dated, and Creation has provided no evidence that it was previously sent. She also noted that Ms K had continued to chase Creation for a response for a number of months before the complaint was brought to this service. As such, the Investigator considered the complaint should be upheld. She was satisfied that Ms K had not received the offer and she felt that Mrs B would have suffered trouble and upset due to the lack of resolution, especially at a time when she was receiving palliative end of life care. So, she recommended Creation pay Mrs B's estate £300 to reflect this.

Creation did not respond, so this complaint has been passed to me for a 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.

It isn't clear whether Creation sent its response to the claim prior to Ms K referring this complaint to this service. However, it does seem clear that Ms K hadn't received this and that Creation ought to have been aware of that. Ms K continued to chase for a response, and I don't think she would've done this if she'd received it.

I think Mrs B would've likely been aware that this matter hadn't been resolved, and I have no

doubt this would've caused her upset. She was at the time seriously ill and would likely have been concerned about the state of her finances given her circumstances. Knowing that this claim was outstanding would not have helped matters.

I think this situation was avoidable. Either Creation should have responded to the claim promptly or, if it did send a response, it should have resent this to Ms K when it became clear it hadn't been received. So, I think Creation should compensate Mrs B's estate for the trouble and upset which was caused to Mrs B.

Putting things right

If it has not already settled the late Mrs B's claim, Creation Consumer Finance Ltd should do so in the manner agreed.

Creation Consumer Finance Ltd also pay the estate of Mrs B £300 to compensate for the trouble and upset caused to her.

My final decision

My final decision is that I uphold this complaint. Creation Consumer Finance Ltd should put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs B to accept or reject my decision before 21 March 2022.

Sam Thomas
Ombudsman