

## **The complaint**

Mr I complains that a new boiler was not installed with reasonable care and skill. Because the installation was paid for with credit provided by Creation Consumer Finance Ltd, he says that it is equally liable with the supplier to put things right.

## **What happened**

In March 2021 Mr I entered into an agreement with a company, G, for the supply and installation of a household boiler at a cost of just over £2,000. The supply and installation were to be paid for by a loan arranged by G and provided by Creation. Mr I was to repay the loan over two years, starting a year after the installation.

Mr I says that there were a number of problems with the installation. These fell into two broad categories: problems with the safety of the electrical work connected with the new boiler; and damage to his kitchen cupboards, work surfaces and splashback.

Mr I contacted an electrician to check the installation. He identified a number of issues which made the installation unsafe. They included a cracked socket, wires that were not sufficiently well insulated, electrical wires too close to gas pipes, insufficient earthing and a failure to meet wiring regulations. He indicated that the cost of putting things right – including a call-out charge and investigation – would be £455.

Mr I also said that there was blow-torch damage to the kitchen worktop and splashback and that a cupboard had been cut into without his agreement. He provided photographs of the damage and two quotes to replace the damaged worktops and splashback.

Mr I complained to G and to Creation. Creation did not respond other than to say that it was waiting for further information from G. Mr I therefore referred the matter to this service. Our investigator did not think that the work had been carried out to a satisfactory standard, for the reasons Mr I had given. She recommended that Creation pay Mr I the costs of the rectification work. Creation, despite reminders, did not respond, although it appears that it did receive some communication from G saying that Mr I had not been in touch for several months. The case was therefore passed to me for further consideration.

## **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.

One effect of section 75(1) of the Consumer Credit Act 1974 is that, subject to certain conditions, a customer who has a claim for breach of contract against a supplier of goods or services can also bring that claim against the provider of credit used to pay for those goods or services. One such condition is that the credit is provided under arrangements between the supplier and the lender. In this case, the loan agreement between Mr I and Creation was arranged by G, and the contract for the supply and installation of the boiler was between Mr I and G. I am satisfied that the necessary relationships were present for section 75 to apply.

The contract between Mr I and G was to be read as including a term that the boiler would be installed with reasonable care and skill. In my view, that includes the safety of the installation and not causing unnecessary damage when carrying out the work.

The report provided by the electrician set out a number of areas of concern and explained the work needed to make the installation safe. It also provided an indication of the cost of remedial work. None of that should have been necessary, since the boiler installation and the associated electrical work should have been carried out in line with relevant safety standards and regulations. I believe it is reasonable to require Creation to cover these.

The photographs that Mr I has provided do show some minor damage to the worktop and splashback. The quotes he has provided are for complete replacements, even though the damage is quite limited. Mr I has said however that the original material is no longer available, and Creation has not suggested, for example, that a cheaper repair might be feasible. Mr I's worktop might therefore be an improvement on what he had before the new boiler was installed. In the absence of any comment from Creation about alternatives, however, I do not believe that is unfair or unreasonable.

### **Putting things right**

I agree with the investigator that Creation should cover the costs of the remedial electrical work and replacing the worktop and splashback. As far as the latter is concerned, I think a fair award would be the average of the two quotes that Mr I obtained.

### **My final decision**

My final decision is that, to resolve Mr I's complaint, Creation Consumer Finance Ltd should pay him £455 in respect of electrical work and £2,114.50 to cover the cost of the worktop and splashback.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 1 April 2022.

Mike Ingram  
**Ombudsman**