

## **The complaint**

Ms S complains about the quality of a washer/dryer she bought using finance provided by Creation Consumer Finance Ltd ("Creation").

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I'll focus on giving my 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.

I know it will disappoint Creation, but I agree with the investigator's view. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

When something goes wrong and the payment was made with this type of running credit, it might be possible to make a section 75 claim. This section of the Consumer Credit Act (1974) says that in certain circumstances, the borrower under a credit agreement has a like right to claim against the credit provider as against the supplier if there's either a breach of contract or misrepresentation by the supplier.

I'm not determining the outcome of a claim that a party might have under section 75. I take section 75 into account when I think about what's a fair way to resolve the complaint, but I don't have to reach the same view as, for example, a court might reach when considering breach of contract or misrepresentation.

From what I can see, all the necessary criteria for a claim to be made under section 75 have been met.

Ms S first complained about the quality of her goods within 30 days of supply. The relevant legislation is the Consumer Rights Act (2015) and that says that, in those circumstances, she may have had the right to reject the goods and end the finance agreement if there was a fault. But I think here that Ms S eventually accepted a repair of the goods instead as one was arranged in January 2021.

Ms S says that repair has been unsatisfactory, and the dryer still doesn't work. Creation haven't supplied any evidence to the contrary and legislation puts the onus on them, in these

circumstances, to do so. So, I'm persuaded there has been a failed repair on these goods and legislation may therefore support a rejection of them now or a price reduction.

Ms S has now bought a dryer and appears to be using the washer/dryer to wash her clothes only. I don't think a rejection of the goods would therefore be the best solution. That's because Ms S now has a system that is working for her and also because I'd have to consider a deduction for the use Ms S has had from the washer/dryer she purchased.

I think the best solution would be for Creation to provide a price reduction.

### **Putting things right**

The washer/dryer cost £362 and the dryer cost Ms S about £220. I think a price reduction of £220 would be reasonable in the circumstances as that accounts for the limited use Ms S has had from the washer/dryer and ensures she isn't out of pocket. Given the issues Ms S has had and the fact that it seems unlikely there is as much as £220 left to pay on the finance agreement, I'm asking Creation to refund that £220 directly to Ms S rather than deducting it from the balance on the account.

They should also pay Ms S £100 to compensate her for the distress and inconvenience caused by the extensive delays in responding to her complaint.

### **My final decision**

For the reasons I've given above I uphold this complaint and tell Creation Consumer Finance Ltd to pay Ms S £220 in respect of the issues she's had with her washer/dryer and to pay £100 to compensate her for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 11 July 2022.

Phillip McMahon  
**Ombudsman**