

The complaint

Mr S complains about how Shawbrook Bank Limited dealt with his claim for compensation under section 75 of the Consumer Credit Act 1974 in relation to his purchase of doors and windows for his home.

What happened

In 2021 Mr S purchased doors and windows for his home, including their installation, for £12,650. His purchase was financed with a loan provided by Shawbrook; the total amount to repay was £18,308.48. The door and windows were subsequently installed.

In 2022 a number of defects were reported, including various draughts and leaks. Following an inspection and a report by FENSA, the supplier agreed to carry out remedial work, which was done in July 2022. But this did not fix every fault, and a second FENSA report in September established that there was still further work which needed doing. That work was carried out in November, but since then Mr S has reported that the problems have still not been resolved.

Meanwhile, Mr S had asked Shawbrook to take responsibility for the faults under section 75. Shawbrook dealt with the matter by referring it to the supplier. Being dissatisfied with how things were going, Mr S referred this complaint to our service in April 2022. He is represented in this complaint by his wife.

One of our investigators upheld this complaint. She said that the supplier had been legally entitled to one attempt at repairing the doors and windows, but it was not entitled to keep on going back and repairing them again and again. As two attempts at repair had failed, the investigator said that the supplier had had its chance, and that Shawbrook could not keep on passing the buck to the supplier; it should deal with the problem itself (and should have done so already). She recommended that Shawbrook reduce the cost of the windows and doors by 30% "and rework the account to reflect this," and also pay Mr S £150 for his inconvenience.

Mrs S did not accept the investigator's opinion, and said that 30% off was not nearly enough to pay for the outstanding repairs. However, she was unable to obtain quotes from other builders for how much the necessary work would cost. She said that was because the builders she had consulted had said that they needed a third independent report, to identify precisely what further work is still required.

Shawbrook did not respond to the investigator at all. The investigator then modified her recommendation, to say that in addition to her original recommendations, Shawbrook should also obtain quotes for the repairs at no cost to Mr S. She then referred this case for an ombudsman's 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 am going to uphold this complaint for the same reasons as the investigator, which have not been challenged by the bank. I will next consider what would be fair compensation in this case.

As Shawbrook never responded to either of the investigator's opinions, I do not think that her revised recommendation would be practical. Also, I have no way of knowing whether a 30% discount would be enough to pay for the remedial work (or too much). So instead, I will require Shawbrook to put things right in the following manner.

Putting things right

I direct Shawbrook to pay Mr S £216, which is the cost of a FENSA re-inspection, so that Mr S may obtain the new report he needs. Once he has that report, it will be Mr S's responsibility to obtain three quotes from builders and to share these quotes and the new report with Shawbrook. (Mrs S may do all or any of this on his behalf.)

On receipt of the quotes and the report, Shawbrook may nominate one of the three builders who have provided a quote to carry out the remedial work identified in the new report, provided that it does so within ten working days of receiving the quotes and the report. I direct that if Shawbrook nominates one of the builders by that deadline, then Shawbrook must arrange for the builder it has chosen to carry out all of the remedial work at no cost to Mr S.

Otherwise, if Shawbrook fails to nominate one of the builders by that deadline, then Mr S may nominate whichever of those three builders he prefers, and I direct that on receiving his choice Shawbrook must, within 15 working days thereafter, pay Mr S the total amount quoted in his chosen quote. ("Working days" excludes weekends and bank holidays.) If Shawbrook pays later than this, then it must also pay simple interest on that total at eight percent a year from the date it receives Mr S's choice to the date of payment. (Again, Mrs S may act on Mr S's behalf.)

I also direct Shawbrook to pay Mr S £150 for his inconvenience (in addition to the £216 mentioned above).

My final decision

My decision is that I uphold this complaint. I order Shawbrook Bank Limited to put things right in the way I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 July 2023.

Richard Wood
Ombudsman