

## **The complaint**

Mr D has complained about a kitchen he bought, using finance from Creation Consumer Finance Ltd. He has also complained about how it has handled his account, while the dispute has been ongoing.

## **What happened**

In August 2023, Mr D entered into a finance agreement with Creation, for the supply of a kitchen from a third party. I'll refer to the third party as 'K'. Unfortunately, there are considerable issues with the kitchen, including manufacturing faults, which K has confirmed.

A number of options have been put forward by K, in order to put things right, including while the matter has been with our service. Most recently, K has offered the following, for Mr D to choose between:

### Option 1

*Collection and refund of the kitchen (£4,109.40) plus £3,625 in out-of-pocket expenses. This is the initial fitting of the kitchen, £1,625, £200 paid to install the appliances, and £1,800 for removal.*

### Option 2

*A full refund on the kitchen of £4,109.40, while allowing Mr D to keep the items.*

Our investigator considered these options to be broadly in line with what she'd already recommended, and thought they were fair.

As regards the customer service Mr D had received from Creation, she thought this had been appropriate. This was because it had fully supported Mr D in putting things right with K.

Our investigator also looked at a further issue which emerged. This was that Creation had said it would put Mr D's account on hold. However, it had mistakenly then removed it from hold. It offered Mr D £100 compensation for this, and put the account back on hold. Our investigator thought this was reasonable, but that the compensation should be increased to £200. Mr D agreed to this, and I understand the compensation has been paid.

The complaint has now been passed to me. Mr D has explained that the matter has caused him continued distress and inconvenience. He also said that if the kitchen is removed, he'll need to get new quotes for this, as the ones he obtained previously have expired.

## **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 have considered what I consider to be the three elements of this complaint in turn. These are: the kitchen itself; the customer service from Creation; and the account being taken off

hold.

It's clear that there are a number of faults with the kitchen, and this isn't in dispute. So, I've thought about what should be done to put things right. I've looked carefully at the current offer from K, which Creation has passed on. I'm satisfied that the two options presented by K are reasonable. This is because both seek to put Mr D as close to the position he'd have been in, had the kitchen not been faulty.

I note that this complaint is about Creation, not about K. What this means is, because I'm satisfied the options given by K are fair, I will require Creation to ensure that whichever Mr D chooses is actioned without delay, and with its assistance.

I've also considered that, should Mr D choose for the kitchen to be removed, the quotes he obtained for this have expired. Although I accept this, the offer to pay for the removal was made by K. As this complaint is about Creation, I cannot require K to take any specific action. However, should the removal of the kitchen cost more than the £1,800 offered, I think it fair that Creation pay Mr D the balance. This would be subject to him providing reasonable quotes, and the middle cost being taken.

Further, as both options in effect involve the finance agreement being cancelled/unwound, all reference to it should be removed from Mr D's credit file.

I've also looked at the customer service provided by Creation. I'm satisfied that it has been proactive throughout, and has supported Mr D in trying to put things right. I don't think it's behaved poorly or unfairly.

That said, it is clear that Mr D's account was taken off hold when it shouldn't have been. Mr D has already accepted £200 compensation in respect of this. This seems reasonable, so I won't interfere with this aspect of the complaint.

### **Putting things right**

To put things right, Creation should:

- fully support Mr D, by ensuring that whichever of the two options below he chooses, it is actioned without delay:

#### Option 1

*Collection and refund of the kitchen (£4,109.40) plus £3,625 in out-of-pocket expenses. This is the initial fitting of the kitchen, £1,625, £200 paid to install the appliances, and £1,800 for removal; or*

#### Option 2

*A full refund on the kitchen of £4,109.40, while allowing Mr D to keep the items;*

- if Option 2 is chosen, but the removal of the kitchen costs more than the £1,800 offered, Creation must pay Mr D the balance. This would be subject to him providing reasonable quotes, and the middle cost being taken;
- remove all reference to the finance agreement from Mr D's credit file; and
- pay him £200 compensation (which I understand has already been done).

**My final decision**

For the reasons given above, it's my final decision that Creation Consumer Finance Ltd must take the actions set out above, in the section entitled 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 12 March 2025.

Elspeth Wood  
**Ombudsman**