

The complaint

Ms H complains that ADT Fire & Security Plc trading as ADT is charging her under her hire agreement for a security system that doesn't work. She wants a refund of the money she has paid to ADT.

What happened

Ms H entered into a hire agreement with ADT for a security system which was installed on 31 July 2023. Ms H says that while on holiday in August 2023, her broadband was disconnected so the security system stopped working. On 31 October 2023, Ms H called ADT to say her internet had been reconnected and to make an appointment for an engineer to reconnect the security system. An appointment was made for 7 November 2023, but the engineer didn't show up. Another appointment was made for 9 November 2023 and the engineer noticed that the camera installed on 31 July 2023 was faulty and so a new camera was ordered. On 16 November 2023, Ms H called to make another appointment and the next available was 27 November 2023. Ms H says the engineer arrived but didn't stay saying she asked too many questions. A further appointment was made for 29 November 2023, but no-one turned up. An engineer arrived on 30 November 2023, but after he had left, Ms H says she noticed several faults with security system. Ms H called ADT about the faults and an engineer was booked for 13 December 2023, but this was cancelled, and a further appointment made for 18 December 2023, but the engineer didn't show up.

Ms H says that she was paying for a security system that didn't work properly and that because of this she stopped her direct debit payments on 9 April 2024. Following this she received solicitors' letters from ADT about her missed payments. Ms H says she has lost trust in ADT and wants a full refund.

Our investigator set out that under the Consumer Rights Act 2015, the goods provided to Ms H (in this case the security system) needed to be of satisfactory quality. She said that based on the evidence received it seemed that the security system fitted for Ms H was faulty. As Ms H didn't reject the security system within 30 days of it being fitted, our investigator thought it right that ADT would be given an opportunity to repair. She noted the engineer visits that had been made and found that ADT had been given more than one opportunity to repair but there were still issues with the security system. Given this our investigator thought it fair that Ms H be allowed to reject the security system. She recommended that the hire agreement be unwound with nothing further for Ms H to pay, the security system be removed at no cost to Ms H, all of Ms H's payments towards the agreement be refunded along with interest, Ms H's credit file to be amended and that Ms H be paid £150 for the distress and inconvenience she had been caused.

ADT noted that there appeared to have been issues getting an engineer to Ms H but said that Ms H hadn't contacted its Customer Support Centre after December 2023. It noted that Ms H had contacted its Customer Solutions and that she was sent three emails but didn't respond. Given the issue Ms H experienced, ADT offered to terminate Ms H's agreement, credit any outstanding invoices (it noted no invoices had been paid since April 2024) and refund any charges paid on the rental and maintenance. It also said that it would send an engineer to Ms H's property to fix the faults and if this couldn't happen it would then consider

any further action.

Ms H responded to ADT's offer, reiterating her summary of events. She didn't accept ADT's offer and said she wanted the outcome mentioned in our investigator's view dated 30 July 2024.

ADT was informed of Ms H's response to its offer. It confirmed its previous offer and agreed to refund the full installation cost as long as the equipment was available to its engineer when they attended Ms H's property. It didn't agree to pay any compensation or interest.

As a resolution hasn't been agreed this case has been passed to me, an ombudsman, to issue 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.

Ms H entered into a hire agreement for a security system to be installed at her home. She paid an initial upfront amount and then was required to make monthly payments for the ongoing monitoring, maintenance and servicing of the system.

As our investigator explained, goods provided through a hire agreement are covered by the Consumer Rights Act 2015. Under this legislation the goods provided need to be of satisfactory quality. Satisfactory quality can take into account different factors but considering that Ms H was hiring a new security system, I find it reasonable that she would expect this to be installed fault free and to operate in a way that was fit for purpose.

Ms H has provided a detailed testimony about the contact she made with ADT due to issues she was experiencing with the security system. Ms H explained that she first contacted ADT in October 2023, as her internet had been disconnected while she had been on holiday, and this had then been reconnected and she wanted her security system to be reconnected. I understand that the first appointment the engineer didn't turn up and a new appointment was made for 9 November 2023. I have looked at the job sheet from this visit and a master reset was needed and Ms H has said that the engineer noticed that the camera that had been installed initially was faulty. There were then further engineer visits and additional issues identified. Ms H said that after the visit on 30 November 2023, there were still issues with the system including her not being able to see who was at the door when the doorbell rang and a garden camera not working.

Considering Ms H's testimonies of the issues with the security system and the information contained in the job sheets from the engineer's visits, I accept that there were faults with the security system that were present from supply (specifically noting the camera that needed to be replaced). Therefore, I accept that the security system wasn't of satisfactory quality.

When goods are found not to be of satisfactory quality there is a short term right to reject. But as Ms H didn't ask to reject the security system within the first 30 days, I find that ADT would be allowed under the legislation to have an opportunity for repair. I have seen job sheets from three engineer visits and I understand that other visits were arranged but cancelled, so I find that ADT has been given more than one opportunity to repair the system. Unfortunately following the third engineer visit on 30 November 2023, Ms H was still experiencing issues with the security system. Given this I accept that there are issues with security system that are ongoing and as ADT has had the opportunity to repair, I find the fair outcome now is for Ms H to be allowed to reject the security system.

Our investigator set out the actions we would expect to be taken when goods are rejected. ADT agreed that the hire agreement would be cancelled with nothing further owing and to the refund of all monies Ms H had paid under the agreement. It didn't agree to pay interest on the amounts that Ms H had paid and didn't agree to paying Ms H compensation.

I have considered the comments ADT has made. But as Ms H was making payments for a security system that wasn't working, and so was without the money from the point of payment but not receiving the service, I find it reasonable that 8% simple interest is added to the refunds in this case. I also note that Ms H wasn't provided with the service she should have been with appointments being cancelled or engineers not showing up. This was the result of her being provided with goods that weren't of satisfactory quality and I think it fair that she receives compensation to reflect the stress and inconvenience she has been caused. Our investigator recommended Ms H be paid £150 compensation and I find this reasonable.

Putting things right

ADT should:

- Unwind Ms H's hire agreement with nothing further for her to pay;
- Arrange for the removal of the security system with no cost to Ms H and minimal inconvenience;
- Reimburse Ms H all monies paid for this agreement including the upfront cost of the system and monthly direct debits paid along with 8 % simple interest* from the date of payment to the date of settlement;
- Remove any adverse information from Ms H's credit file in regard to this agreement; and
- Pay Ms H £150 for the trouble and upset she has been caused by being supplied with goods that weren't of satisfactory quality.

*HM Revenue & Customs requires ADT to take off tax from this interest. ADT must give Ms H a certificate showing how much tax it's taken off if she asks for one.

My final decision

My final decision is that ADT Fire & Security Plc trading as ADT should take the actions set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 18 November 2024.

Jane Archer
Ombudsman