

The complaint

Mr A complains about the proposal offered to him by Propensio Finance Limited ("Propensio") in respect of a claim he made for faulty windows.

What happened

In late 2019, Mr A entered into a contract with a company I'll call "E" for windows to be installed in a property he owns. Mr A paid E a deposit of £830 and financed the balance of £3,320 using a fixed sum loan agreement with Propensio.

Around four years later, Mr A noticed that one of the windows was faulty and had caused damp to penetrate the property. He tried to contact E about this, but they had ceased to trade. So, Mr A contacted Propensio.

Propensio agreed to help Mr A with the cost of the works needed to fix this issue, which included replacing the window, treating the damp and painting where required once that work was done. Mr A provided Propensio with two quotes. They then agreed to pay the works shown in one of the quotes to replace the window and to pay Mr A £3,000 which was shown in another quote to treat the damp and paint where required. Both parties agreed that the £3,000 would be paid directly to Mr A as he wanted to settle the outstanding amount owed under the fixed sum loan agreement. Propensio paid the remaining difference directly to Mr A.

Mr A then told Propensio that he was currently in dispute with the company who owned the block of flats, who were telling some flat owners, including Mr A, they would be changing all the windows in their flats. So, Mr A was concerned that the faulty window that gave rise to his claim against Propensio would be changed shortly after it was replaced. He asked Propensio to pay him a cash settlement equivalent to one of the quotes he'd obtained to replace the faulty window.

Propensio didn't agree to do this, and didn't uphold Mr A's complaint about this. So, Mr A referred the matter to our service. Our investigator felt that Propensio had acted reasonably in how they'd offered to help Mr A put things right. Mr A remained unhappy and so his complaint has been passed to me for 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.

I'm aware that I've summarised the events of this complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr A and Propensio that I've reviewed everything on file. If I don't comment on something, it's not because I've not considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I've taken into account relevant law which here includes section 75 of the Consumer Credit Act 1974 (s.75). This says that in certain circumstances, the borrower under a credit agreement has an equal right to claim against the credit provider if there's either a breach of contract or misrepresentation by the supplier of goods or services. I'm satisfied that the necessary criteria for Mr A to make a s.75 claim was met.

In this case, there seems no dispute that the one of the windows provided and installed by E was faulty. So, I won't go into detail on whether there was a breach of contract by E as it seems Propensio accepts that there was.

The outstanding issue is whether Propensio has acted reasonably in how they've offered to put things right for Mr A. From what I've seen, I think that they did. They agreed to cover the cost of a quote to fix the damp caused by the faulty window, and to paint where required once that work had been completed. And Propensio also agreed to pay the relevant company the cost for replacing the window.

I realise that Mr A is concerned that any remedial work will be effectively redundant because the company managing the block of flats has said it likely will replace all the windows in his flat. But that's not something that Propensio has any control over and it's not something in my view that could have been foreseen when the windows were installed by E. So, I don't think it reasonable to say that Propensio must pay Mr A the cost of the quote to replace the window when they have offered to pay the company directly to do the work. That seems a perfectly reasonable way of remedying the breach of contract.

I'm unsure whether matters have moved on more recently and whether the property management company are still intending on replacing all the windows in Mr A's flat. Or whether that work has already been carried out. I'm though considering how Propensio dealt with Mr A's complaint about his s.75 claim. And, for the reasons I've set out in this decision, I think they did respond to this reasonably and offered a fair and practical solution to E's breach of contract.

My final decision

For the reasons I've set out above, I don't uphold this complaint. Propensio Finance Limited should though ensure they stand by the offers they've made to Mr A, in respect of how to remedy E's breach of contract.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 13 June 2025.

Daniel Picken
Ombudsman