

## **The complaint**

Ms L complains about the outstanding amount owed under a fixed sum loan agreement she has with Sky UK Limited.

## **What happened**

In November 2023, Ms L took out a fixed sum loan agreement with Sky, to pay for a brand new mobile telephone device. Ms L says that as part of the deal, Sky asked her to pay £75, to fully repay the outstanding balance owed under an existing agreement she had with them.

Once Ms L received confirmation of the fixed sum loan, she says she noticed that her existing agreements remained unpaid. Instead, Ms L says Sky applied the £75 payment to the cost of the device purchased using the fixed sum loan.

Ms L called Sky to tell them she no longer wanted the device. Sky's records of that conversation show that they told Ms L to decline the delivery of the device, which was scheduled for the following day.

On the day of delivery, Ms L says she was having building work done, so her front door was open. She says the courier left the packaged device inside her front door and she had to convince the courier to take the package back.

A few days later, Ms L contacted Sky, as she hadn't received a refund of the £75 payment and her fixed sum loan agreement remained in place. So, she called Sky to complain.

In their final response to Ms L's complaint, Sky said they didn't have a record of the delivery of the device being declined, or returned by Ms L. They also said the courier had told them that the device wasn't at their warehouse. Because of this, Sky continued to hold Ms L responsible for the repayments due under the fixed sum loan agreement. Ms L didn't accept Sky's response and referred her complaint to us.

One of our investigators looked into Ms L's complaint and concluded that Sky had treated Ms L fairly. She couldn't see any evidence that Ms L had returned the device to the courier. And that on balance, she didn't think Sky told Ms L that a payment of £75 would repay the balance owed across her existing agreements. Overall, the investigator wasn't persuaded by what Ms L had said, so didn't think Sky needed to offer to do anything differently.

Ms L didn't agree and said she was repaying a loan for a device she hasn't got. The investigator didn't change her conclusions and now Ms L's case has been passed to me to make a final 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.

Before I do so, I'd like Ms L to know that I empathise with the difficult personal circumstances she has described to us. And I can see that it must be an extremely worrying

time for her.

Sky is seeking to recover payment from Ms L under a regulated fixed sum loan agreement. Our service is able to consider complaints about these sorts of agreements.

Where the evidence is incomplete, inconclusive or contradictory, as some of it is here, I reach my decision on the balance of probabilities. In other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

### *The start of the fixed sum loan agreement*

Ms L says that she took out the fixed sum loan agreement with Sky to get a brand new device as a Christmas gift for her son. She says Sky offered her a deal, where she would pay them £75 to end one of her two existing agreements, then simply repay the new loan in place of the old one. Ms L says that once she realised Sky had not offered her those terms, she called them and was told to decline the delivery of the new device.

Sky have provided us with details of the two existing agreements Ms L had in place, in November 2023. I can see from Sky's records that Ms L owed around £158 on one agreement and £807 on the other. So, I don't think Ms L would have been able to settle either agreement with a payment of £75.

But, I'm aware that Sky may have offers and promotions from time to time, where they may provide incentives for customers to take out new contracts. So, I've thought about what Ms L may have seen, when applying for the fixed sum loan agreement online.

We have been sent an example of the screen shots that Sky say Ms L would have seen. I can see from these examples where an 'upfront payment' is itemised on the summary screen, prior to placing the order. I can also see from the fixed sum loan agreement that Ms L electronically signed, where it says:

*"You have made an upfront payment for the Equipment of £75."*

Having considered everything, I think Ms L was aware that the £75 payment she made was used to lower the cost of the device financed by the new fixed sum loan agreement. On balance, I don't think Ms L was told by Sky, or could have assumed that the payment would satisfy the balance owed to either of her existing agreements.

So, I think there are some conflicts between what Ms L has told us and what happened in the lead up to the delivery of the new device.

### *The delivery of the device*

I can see from Sky's contact records with Ms L, that the day before the device arrived at her home, she was told to decline the delivery. Ms L says the device wasn't given to her directly and was instead left on the floor, just inside the open front door to her house. Ms L also says she had to pursue the courier and persuade him to take the package back.

Sky's notes from the delivery show a photograph from when the package was delivered. The photograph supports Ms L's comments, where I can see the package was left just inside the open front door to her house. However, the notes do not go on to say that the delivery was declined, or that there was an issue after the photograph was taken. Instead, Sky's records show that the packaged device was successfully delivered by the courier.

Furthermore, Sky have provided comments from the courier which say the package wasn't

sent back to their distribution depot, or that it was located after a search. Sky have also told us that their records do not show a trend of similar concerns being raised, with the courier serving the area where Ms L lives.

I can see that Sky have told us they have blocked the device, meaning it cannot be used. I also acknowledge where Ms L sought to take out a further fixed sum loan agreement, so she could give her son a device as a gift in time for Christmas.

But having considered everything, I'm not persuaded that the evidence shows it was likely that the device was returned to the courier.

### *Summary*

Having thought very carefully about what both sides of the dispute have said, I think there are some inconsistencies in what Ms L has told us about the cost needed to end her existing agreements. And I have to think about credible and consistent evidence, when looking decide Ms L's complaint.

On balance, I don't think the evidence shows that Ms L handed the device back to the courier, after it was delivered to her home. In all the circumstances, I think it follows that it's fair for Sky to hold Ms L responsible for the repayments due under the fixed sum loan agreement.

I realise that my conclusions mean that Ms L may still need to make payments to Sky for the remaining balance of the fixed sum loan. I say this because during our investigation, Sky have sent us records which suggest there is an outstanding amount.

In this instance, I remind Sky of their responsibility to treat Ms L's current financial circumstances with due consideration and forbearance. This will mean working with Ms L to make sure she is able to make affordable repayments to any outstanding balance, if she's unable to maintain the scheduled payments.

### **My final decision**

My final decision is that I don't uphold Ms L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 26 March 2025.

Sam Wedderburn  
**Ombudsman**