

The complaint

Miss O has complained about the way EE Limited arranged a fixed sum loan agreement she took out to buy a device.

What happened

The circumstances of the complaint are well known to the parties so I'm not going to go over everything again in detail. But, to summarise, Miss O took out a fixed sum loan agreement with EE in May 2024 to buy a device. The device cost around £1,700 and Miss O was due to pay back the agreement over 24 months.

In November 2024 Miss O referred a complaint to the Financial Ombudsman. She let us know about what had happened over the last few months. Miss O said EE had contacted her to say she could return the device. She'd had the device for a few months, so she was confused because the cooling off period had ended. She said she contacted EE, and it told her the agreement may have been mis-sold, so she decided to return the device. She said she had to make about 8 calls over three hours so logged a complaint. Miss O said EE offered £50 compensation, but she didn't think this was sufficient.

EE explained a bit more about what happened. It said around the time Miss O took out the credit agreement some customers didn't receive the correct pre-contract information. It contacted customers who may have been impacted (including Miss O) to offer an extended right of return. Miss O spoke to it in August 2024 and requested to return the goods. EE offered £50 compensation, but Miss O wasn't happy with the resolution. Miss O returned the device in September and EE said it refunded her payments and closed the agreement. It also highlighted it had paid Miss O £50 previously for another issue that happened within a few days of the sale.

Our investigator looked into things and said Miss O didn't have to return the device. It was working as expected and there were no issues with the credit agreement. He also thought Miss O had indeed received the correct pre-contract information. But he agreed Miss O spoke to EE several times about the potential mis-sale and could accept this would have been confusing and inconvenient. He said he didn't think Miss O had accepted the recent £50 offer, and he thought it should pay her £100 for the more recent issue.

EE agreed, but Miss O thought the compensation should be increased. As things weren't resolved, the complaint has been passed to me to decide.

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 want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to resolve complaints quickly and with minimum formality. I want to assure Miss O and EE that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't

considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Miss O bought the phone using a regulated fixed sum loan agreement, and our service is able to deal with complaints relating to these sorts of agreements.

I appreciate Miss O was put to some inconvenience. She was contacted out the blue by EE saying her agreement may have been mis-sold. I understand it may not have been, but it must have been concerning for her. Miss O decided to return the device, even though she didn't need to. I can see she needed to speak to EE several times to resolve things.

No amount of money will change what's happened. But I find an award of £100 to be reasonable where there's been either repeated small errors or a larger single mistake that required a reasonable effort to sort out. I think that fits the scenario here. I'm also mindful Miss O had use of the phone for a few months but has been refunded what she paid. Overall, I agree with the outcome that's already been reached

Therefore, in relation to the more recent issue (i.e., not what happened within a few days of the sale), I think the £100 compensation is a fair and reasonable way to resolve the complaint.

My final decision

My final decision is that I uphold this complaint and, to the extent not done so already, direct EE Limited to pay Miss O £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 20 October 2025.

Simon Wingfield
Ombudsman