

The complaint

Mrs R complains Shop Direct Finance Company Limited trading as very (SDFCL) handled her claim under section 75 Consumer Credit Act 1974 ("section 75") unfairly. She said she's entitled to a refund because both the washing machine and dryer she bought are faulty.

[For ease, when I say "Mrs R" I also include her representative.]

What happened

On 2 November 2024, Mrs R bought a new washing machine and dryer for around £450 and £630 respectively from a retailer (I'll call "S") on her SDFCL running credit account.

On 4 November 2024, the appliances were delivered. Mrs R used the appliances soon after and found the washer and dryer cycles were taking too long to complete.

On 8 November 2024 she reported the appliance issues to the manufacturer.

On 24 December 2024 Mrs R asked S for a full refund because the manufacturer hadn't managed to resolve the issues. S said Mrs R wasn't entitled to a refund under its returns policy and instead directed Mrs R to arrange a repair with the manufacturer.

On 15 February 2025 the manufacturer arranged a technician's inspection. It's not clear to me when the appointment was, but an email from the manufacturer shows it was cancelled on around 25 February 2025. No inspection or repair has been carried out to date.

On 4 March 2025, Mrs R complained to SDFCL through our service. She said S breached the contract by sending her faulty goods, and SDFCL were liable for this under section 75.

On 23 April 2025, SDFCL issued a final response stating Mrs R wasn't entitled to a refund under S's returns policy. And as she hadn't shown the appliances were faulty, it also said she wasn't entitled to a refund under the Consumer Rights Act 2015 (CRA).

Our investigator agreed with SDFCL's findings for broadly the same reasons. As Mrs R disagreed, the complaint has come 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've summarised the complaint in my own words and I'm not responding to every argument. No discourtesy is intended by this. Our rules allow me to do this given the informal nature of our service. If there's something I've not mentioned, it isn't because I've ignored it. Rather, I'm satisfied I only need to focus on the key points to reach what I think is the right outcome

It's important to note that SDFCL didn't supply the appliances. Its role is limited to what would reasonably be expected of it as a provider of financial services. In that respect I

consider section 75 to be particularly relevant here. The key issue for me to consider is whether SDFCL acted fairly when handling Mrs R's section 75 claim.

Section 75 can make a credit provider jointly and severally liable with the supplier for a breach of contract or misrepresentation by the supplier. As the criteria for section 75 are met, I need to consider if the supplier ("S") breached the sales contract as alleged by Mrs R.

As Mrs R hasn't referred to a "misrepresentation", and there's no evidence of any misrepresentation, I've only focused on whether there's been a breach of contract below.

Was there a breach of S's contract (returns policy)?

Mrs R sought to return the appliances under S's 28-day returns policy.

Section 2.4 of S's terms and conditions refers its customers to its "Returns section" for further information on returning goods. The current Returns section on the website states:

"Returns are FREE under our 28-day approval guarantee — items must be complete, unused and in their original packaging..."

For completeness, I used an internet website archive to see what the returns section said in November 2024, around the date of sale. It doesn't appear to have materially changed. It states customers must ensure items are "complete, unused, in the original packaging..."

The upshot of the above is Mrs R cannot return appliances that are used. But as both appliances had been used soon after they were delivered, Mrs R couldn't rely on this term of the sales contract to return the appliances.

I appreciate there was some confusion over whether Mrs R's request to return the goods on 24 December 2024 was made in time. S extends the 28-day timelimit during the early winter months for some purchases, so if the extension applies here, Mrs R's request may well have been within that time limit.

However, I don't find this makes a material difference here as the appliances had been used and were therefore non-returnable under S's returns policy. In short, S's refusal to accept a return under its returns policy didn't amount to a breach of contract.

Were the goods of unsatisfactory quality under the Consumer Rights Act 2015?

Despite there being no breach of S's explicit terms of the contract, there could still be a breach of a term implied into the sales contract by law.

For example, the CRA implies terms into a sale of goods contract that goods should be of satisfactory quality when supplied. The quality of goods is satisfactory if they meet the standard that a reasonable person would consider satisfactory, taking into account any description of the goods, the price, and other relevant circumstances.

The parties agree that manufacturing faults with the appliances would mean they were likely of unsatisfactory quality on delivery. But they disagree over whether there are faults.

Other than Mrs R's account that the cycles were too long, there isn't persuasive evidence of a manufacturing fault. No inspection has ever taken place. The manufacturer also indicated the long cycles could result from machine overloading, which isn't a manufacturing fault but instead a consequence of user error.

On balance, the evidence doesn't show the appliances were of unsatisfactory quality. It follows that because there's no evidence of a breach of contract by S, I don't find SDFCL acted unfairly by declining Mrs R's section 75 claim.

CRA remedies available — if there's a breach of contract

Mrs R said she's entitled to return the goods without giving S a chance to repair for two reasons. Firstly, because she feels she validly exercised her short-term right to reject the appliances. Secondly, because the CRA only allows S one chance to repair the item — and it used this chance when it arranged the technician's visit but failed to repair the faults.

The fundamental issue with those arguments is they're contingent on it having already been established that the appliances were faulty. That's because under section 19(3) of the CRA, the short-term right to reject, the right to a repair or a replacement, or the final right to reject, are only relevant if the goods don't conform to the contract. But as I've found there to be insufficient evidence for any lack of contract conformity, the remedies Mrs R has sought to rely on under the CRA aren't available yet.

However, even if I had found the manufacturing faults to be proven, I don't agree an immediate refund would be due at this stage. I'll explain.

Mrs R first reported the issues with the appliances to S on 24 December 2024, around 50 days after the appliances were delivered. That's outside the 30-day time limit for a consumer to exercise their short-term right to reject as set out in section 22 of the CRA.

I'm aware Mrs R first raised issues with the manufacturer on 8 November 2024, four days after the appliances were delivered. However, that doesn't constitute a rejection under the CRA. That's because under section 20(5) of the CRA, the right to reject is exercised if the consumer indicates to the "trader" that they're rejecting the goods. The "trader" here is S, not the manufacturer. So even if I thought the appliances were faulty, I don't consider Mrs R's conversations with the manufacturer to have amounted to a valid exercise of her short-term right to reject the appliances.

After the first 30 days following delivery, S is entitled to attempt a repair or replacement before taking the goods back for a refund. This is set out under section 24(5)(a) of the CRA:

"24 Right to price reduction or the final right to reject

...

(5) A consumer who has the right to a price reduction and the final right to reject may only exercise one (not both), and may only do so in one of these situations —

(a) After one repair or one replacement, the goods do not conform to the contract..."

It's clear from section 24 of the CRA that if the appliances were faulty, S would have used its one chance to repair the faults had the technician carried out a repair. But this didn't happen because the technician's appointment was cancelled and no repair had been attempted.

In summary, I don't agree with Mrs R that S would have been obligated to accept a return of the appliances, had it been established that faults were present. Although these points don't affect the outcome here, this might be relevant should Mrs R obtain a technician's report showing the appliances are faulty at a later date.

Customer Service issues

Mrs R had been dealing with S for some months before she complained to SDFCL via our service on 4 March 2025. It appears that at this point, SDFCL started looking at whether she was entitled to a remedy under section 75, while raising a complaint at the same time.

SDFCL's 23 April 2025 reply meant it had taken around seven weeks to review everything. I appreciate the wait would have been frustrating for Mrs R, especially given her lengthy dealings with S previously, but I don't think SDFCL's investigation took unreasonably long.

The only service issue I can see is around the tone of voice a customer service agent used while discussing Mrs R's complaint on one phone call. I accept SDFCL's service could have been better, but I don't think this agent's actions constitutes service that's so poor so as to warrant compensation. Instead, I consider SDFCL's apology in its final response sufficient.

Overall, I find SDFCL handled Mrs R's section 75 claim fairly. So I'm not recommending that it do anything further. If Mrs R still feels there are issues with the appliances, she may want to consider contacting the manufacturer again to arrange an inspection.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 11 November 2025.

Alex Watts
Ombudsman