

The complaint

Mr B complains Culligan Water Limited (Culligan) treated him unfairly because they delayed telling him he hadn't passed their credit checks.

What happened

In early June 2024, Mr B wanted to get a water system for his home. But after signing the hire agreement and arranging the installation, his order was cancelled. This was because he didn't pass Culligan's credit checks. Culligan refunded the installation fee Mr B paid, but he remained unhappy and brought his complaint to our service.

Culligan accepted they could have handled things better. They explained they've now changed their process so that credit checks are carried out earlier. To put things right, they explained to our service they were willing to pay Mr B £50 in recognition of the distress and inconvenience Mr B experienced. They also said Mr B could buy the water system outright.

Our Investigator looked into Mr B's concerns and explained he felt Culligan's offer to pay him £50 was fair. However, our Investigator's findings didn't comment on Culligan's offer regarding Mr B being allowed to buy the water system.

Mr B didn't think the £50 offer was enough to resolve his complaint, so it was passed to me for a decision.

I issued my provisional decision on 16 May 2025. I explained Culligan had also offered to allow Mr B to buy the water system outright. I felt this, and their £50 offer was a fair resolution to this complaint.

Both parties accepted my provisional decision, so the outcome remains the same.

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.

Having considered everything, I'm upholding this complaint. I'll give my reasoning below.

Mr B is unhappy that Culligan carried out credit checks after he'd signed the hire agreement and arranged installation. In his calls with Culligan's representatives, he made it clear that he understood why credit checks were necessary and the importance of them. However, he was unhappy with the time he'd wasted throughout the process, as this would have been avoided had the credit checks been done sooner.

Culligan accepted the process Mr B went through wasn't ideal, and explained they've taken steps to change this now. So, this isn't something I need to make a finding on. My decision has focused on how Mr B was impacted by what happened – and what I think is fair to put things right.

The evidence on file shows that Mr B had two calls regarding his order, before he eventually

completed the process online. And after that, he had another call to rearrange the installation he'd booked because an earlier slot had become available. These events took place over a period of three days. And it was at the end of the third day that Mr B received an email explaining his order for the water system wasn't successful because he hadn't passed their credit checks.

It would be frustrating for most people to find out they hadn't passed the necessary credit checks after they'd arranged and paid for the installation of something. But what was particularly disappointing to see was that Culligan emailed Mr B about the cancellation of his order, despite him telling them in an earlier call that he couldn't read. He even explained he'd had to have a friend help him with the application process. So, this would have only added to his frustration.

Given this happened over a three-day period, I do think Culligan's offer of £50 is fair in recognising the time Mr B lost trying to arrange his order. I know it was a frustrating thing to have happened. But Mr B found out about the cancellation in a short period of time, and the funds he'd paid were refunded as soon as he failed the credit checks.

Throughout Mr B's complaint, he's made it clear that he wanted the water system. As he didn't pass the credit checks, I can't ask Culligan to put the hire agreement in place. However, giving Mr B the option to buy it outright is a fair and reasonable offer in the circumstances. So, I was pleased to see this was pro-actively offered when Culligan became aware this complaint was with our service.

Given the above, I'm satisfied Culligan's offer is fair to resolve Mr B's complaint.

My final decision

My final decision is that I'm upholding Mr B's complaint.

To put things right, Culligan Water Limited should:

- Pay Mr B £50 in recognition of the distress and inconvenience he experienced.
- Allow Mr B to buy the water system outright, if he still wants it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 July 2025.

Sarrah Turay
Ombudsman