

## **The complaint**

Mr B complains about the balance owed under a fixed sum loan agreement with Creation Consumer Finance Ltd.

## **What happened**

In October 2021, Creation received an application for a fixed sum loan agreement in Mr B's name. The loan application was successful and it was used to finance the installation and supply of a brand new boiler at Mr B's home address.

Following the installation of the new boiler, Mr B encountered problems with his hot water supply. And after bringing his case to us, he received a settlement towards the costs he says he incurred while the supplier of the boiler put things right.

However, Mr B raised a further complaint and said he hadn't ever signed a contract with Creation. Mr B says that although he didn't need a new boiler, he had agreed for a surveyor to provide a quote. Once he'd received the quote, Mr B says he agreed to take out finance. But, he says that finance wasn't with Creation. So, Mr B asked Creation to allow him to exit the fixed sum loan agreement with nothing further to pay.

In their final response to Mr B's complaint, Creation said Mr B had signed the loan application electronically and that he'd acknowledged the ownership of the boiler, when he complained about its quality. Creation also said they would continue to hold Mr B responsible to the repayment of the loan. Mr B didn't accept Creation's response and brought his complaint to our service.

One of our investigators looked into Mr B's complaint and found that Creation had treated Mr B fairly. She was persuaded Mr B had electronically signed the loan agreement, because she had seen a copy of the contract.

The investigator also found that Mr B had previously raised concerns about the quality of the boiler and that meant Mr B was aware he'd bought it. So, she concluded that it was fair for Creation to ask Mr B to repay the outstanding balance of the fixed sum loan agreement. Mr B didn't agree and said he thought the balance of the loan had been written off. He also said he wasn't aware of Creation's involvement, until July 2022.

The investigator didn't change her conclusions and Mr B's complaint has now 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 Mr B to know that I empathise with the difficult personal circumstances he has described to us. And I can see that the last couple of years must have been an extremely worrying time for him.

I also want to acknowledge where I've summarised the events of Mr B's complaint. I don't intend any discourtesy by this and 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 B and Creation 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.

This case is about a fixed sum loan agreement in Mr B's name with Creation, used to pay for the supply and installation of a boiler. This is a regulated financial product. As such, we are able to consider complaints about it.

We've previously looked at a complaint about the quality of the installation of the boiler and the quality of the boiler itself. To be clear, I make no finding about those matters in this decision. This complaint is about Mr B's view that he didn't authorise the loan agreement with Creation and that they shouldn't pursue him for any repayments.

Mr B has told us that a surveyor and supplier contacted him to discuss the possibility of replacing the boiler at his home address. He says that he didn't sign any contract, or take out any finance with Creation. But, he did agree for the supplier to provide and install a replacement boiler.

Apart from Mr B's recollection about what happened, I've thought about the other evidence available, to help me decide if it's fair for Creation to hold Mr B responsible for the loan.

Creation have provided us with a copy of the loan agreement forms that provided the finance for the installation and supply of the boiler. I can see from that agreement that it carries Creation's representative's signature and what they say is Mr B's electronic signature.

Additionally, I can see that Mr B's name, address and bank account details are used on the Direct Debit mandate, attached to the loan agreement. Both Mr B and Creation have shown us where the Direct Debit was subsequently cancelled by Mr B, when he raised concerns about the quality of the boiler. So, I'm persuaded the correct bank account details are included within the loan paperwork.

Within their evidence, Creation haven't provided other details such as Mr B's income and expenditure information, or their notes about Mr B's employment status. But, they have shown where Mr B signed a notice of satisfaction with the supplier, after the boiler was installed. I can see this document was signed electronically, in the same way as Mr B's signature appears on the loan agreement forms.

I find what Creation have shown us to be persuasive and I think it supports their actions in requiring Mr B to make the payments due under the loan agreement. But, like the investigator, I've also placed weight on the steps taken by Mr B following the installation of the boiler.

During his complaint, Mr B explained to us that he acknowledges taking finance out with a lender to pay for the boiler and its fitting. He also accepts the boiler was installed into his home and has made a previous complaint about the overall quality.

I understand Mr B's strength of feeling in that he's unhappy with the performance of the boiler and the professionalism of the installation. But, I also think it's reasonable that Mr B was aware that he needed to pay for it. Mr B hasn't shown us any other paperwork or agreement from another lender. So, I don't think there are two loans existing in Mr B's name. And I cannot see a previous agreement, whereby Creation were required to write off the loan, or where Mr B has repaid the outstanding balance himself.

Overall, I think Mr B has accepted he authorised for the fitting of the boiler and there's nothing to say he's paid for it already. So, I think it follows that he still owes Creation for the goods and services he was supplied with. Having considered all the evidence, I think Creation's arguments about the signed loan agreement forms and the steps taken by Mr B after the boiler was installed are persuasive.

On balance, I think Mr B authorised the start of the fixed sum loan with Creation. So, I think Creation have treated Mr B fairly, when they asked him to make the repayments due under the loan agreement. I accept where Mr B has lost faith in the supplier and then Creation. But, in all the circumstances, I don't think that means I should require Creation to allow him to exit the agreement with nothing further to pay.

I realise that my conclusions mean there will still be an outstanding balance owed by Mr B to Creation. So, I remind Creation of their responsibility to treat Mr B's financial circumstances with due consideration and forbearance. This may mean looking at Mr B's income and expenditure details to talk about the options they are able to offer to him.

### **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 Mr B to accept or reject my decision before 28 July 2025.

Sam Wedderburn  
**Ombudsman**