

The complaint

Mr B complains about how Secure Trust Bank Plc trading as V12 Retail Finance ("Secure Trust") dealt with his claim under section 75 of the Consumer Credit Act 1974, and how they managed his finance agreement with them.

What happened

In November 2023, Mr B took out a fixed sum loan agreement with Secure Trust to pay for furniture he'd ordered from a company I'll call 'O'. The initial terms of the agreement were for Mr B to pay a total of just under £5,200 over 36 months with monthly instalments of around £145.

Mr B then noticed that O had asked him to pay more than he owed, and they had failed to honour a price match and to adjust the price for returning an item he no longer needed. He says that while he was trying to sort this out with O, he asked Secure Trust not to release any funds to them.

Secure Trust arranged to deliver the furniture in February 2024. However, one of the sofas arrived with one of the legs smashed off. The delivery company dropped the sofa on Mr B's driveway which resulted in a scuff to the edge of one of the corners. Mr B says the delivery drivers then damaged the interior hallway of his property which had been newly decorated.

Mr B complained to Secure Trust about what had happened to the sofas and said the balance on his loan agreement should be lower because O had adjusted the order to take into account the price match and the returned item. Secure Trust partly upheld the complaint. They wrote to Mr B in April 2024 saying that O had confirmed to them they had admitted liability for the property damage. Secure Trust said to Mr B that O had referred the matter to their insurers. They also said O told them Mr B wasn't claiming for the damaged sofa as he couldn't provide photos of the damage. And they said they had adjusted his loan agreement so that Mr B would be paying monthly instalments of £106.91, with his first payment due in June 2024 (as payments had been deferred since the agreement went live in November 2023).

Mr B wasn't happy and said Secure Trust were incorrect to say he'd discontinued his claim for the sofa damage as he had only originally agreed this in the interests of trying to settle things swiftly and amicably. But as the matter remained outstanding, he wanted this to be included as part of his overall claim. Secure Trust sent their final response letter to him in August 2024. They said O would now arrange to collect the furniture from Mr B and that Secure Trust would cancel his agreement when this had happened. Secure Trust also said the property damage part of Mr B's claim was still being dealt with by O's insurers. Mr B remained unhappy and referred his complaint to our service. Our investigator felt that Secure Trust had broadly acted fairly in how they'd dealt with Mr B and his claim. Mr B didn't agree and so his complaint has been passed to me for a decision.

I issued my provisional decision on 1 July 2025, relevant extracts of which I include below and which forms part of my final decision.

"The agreement in this case is a fixed sum loan agreement. Our service is able to consider complaints relating to these types of agreements.

I'm required to consider relevant law and legislation. In this case, this includes section 75 of the Consumer Credit Act 1974 (s.75). Under s.75, Mr B can hold Secure Trust responsible for a 'like claim' he would have against the supplier for a breach of contract or misrepresentation. Certain criteria need to be met for s.75 to apply relating to matters such as the cash price of the goods or services and the relationship of the parties to the transaction. I'm happy those are met here.

My understanding is that the furniture that was delivered to Mr B is still with him. And Mr B has told me recently that the damage to his property hasn't been rectified.

It seems to me that Secure Trust left the matter of the property damage with O as their insurers were assessing this. However, it doesn't appear that this has been resolved. It's difficult for me to know whether the insurers felt there wasn't a requirement to fix the damage or whether there's some other reason why this matter still isn't resolved. And I haven't seen any photos of the damage to be able to say what needs to be done now.

However, I have no reason to doubt Mr B when he says the delivery company damaged his property and I note that Secure Trust doesn't dispute this either bearing in mind that O accepted liability for this. And realistically, I need to find a way to try to resolve this part of the complaint.

I think the most practical way to do this is for Mr B to arrange for two quotes from companies who can repair the damage, and for those quotes to be sent to Secure Trust who can then agree to cover the cost of one of those quotes to allow the damage to finally be fixed. This is by no means a perfect solution at this stage. But without me trying to find a way forward, I don't see how this can be resolved any time soon. And I would like to try my best to find some finality for all parties, and in particular for Mr B.

I also think that the time has long passed for Mr B to be expected to still keep hold of the furniture. Again, I need to find a practical, fair solution for what happens with these goods. Mr B has said he's never used them and has kept them wrapped and in storage. I don't have photos of the damage caused to the goods. But if Mr B hasn't used them since they were delivered, I think it more likely than not that this was because they were damaged when delivered. And, in the interests of allowing Mr B to move on from this dispute, I think the most practical thing to do now is for Secure Trust to arrange the collection of the goods at a time convenient to Mr B.

I'm unsure whether Mr B has made any payments towards the loan agreement, But, as it seems that he has never used the furniture because it arrived damaged, then I think it reasonable for Secure Trust to cancel the loan agreement and ensure that Mr B pays nothing under this. So, if Mr B has paid anything, this should be refunded to him along with interest at 8% simple each year, from the date payments were taken until the date of settlement. And Secure Trust should ensure that any adverse information in relation to this agreement is removed from Mr B's credit file.

I've also considered the part of Mr B's complaint about incorrect figures being shown on the finance agreement. As a starting point, there seems little doubt that the price of the order from O was adjusted from its original price, because of a price match issue and an item that Mr B returned. As far as I can tell, the loan repayments which were due to be £144.35 were correctly adjusted to £106.91, as it appears that neither party disputes that the lower figure was the correct figure. I realise that Mr B wanted the loan agreement to be revised to show this new figure or for a new agreement to be drawn up showing this. However, I'm not aware of any regulatory obligation that sets out that Secure Trust had to do either of those things.

The key thing really is whether both parties ultimately agreed that the contract had been varied in this way (which they did), and that both parties' obligations were set correctly as a result. I've seen nothing to indicate that wasn't the case here.

Notwithstanding the above, it's clear to me that Mr B has been significantly inconvenienced by what's happened. I say this because he ended up with damaged goods being delivered and with damage caused to his property which still hasn't been rectified. I've set out above what I think is a practical way to resolve this dispute so Mr B can move on from it. However, I think in view of the issues he's experienced, he is entitled to compensation for the time he's spent trying to resolve the dispute thus far, and the inconvenience he's been caused. In view of what's happened, I think it reasonable that Secure Trust pay Mr B £500 for this.

I note that Mr B has said he wanted to claim for loss of rental income. For me to consider whether this is appropriate, I would need to see evidence that Mr B had to move his tenants out because of the damage, why that decision was made, and whether his property still remains unoccupied as a result. Or that he hasn't been able to rent his property out because of the damage, which means I'd need to see that he's turned away prospective tenants specifically because of this issue. As it stands, I have no evidence to determine what's happened, so I won't currently be making an award for this.

In closing, I would like to again say that my provisional decision is designed to try to help all parties, but above all Mr B, to move on from this dispute. And, for the reasons I've set out above, I currently think my proposed solution is a reasonable and fair way to do this. I appreciate it might not be the perfect solution. Both parties have the option to provide me with further evidence or comments to consider if they disagree with me. I will take these into account before reaching my final decision.

So, for the avoidance of doubt, my provisional decision is that Secure Trust do the following:

- arrange to collect the furniture from Mr B at a convenient time to him, and at no cost to him.*
- cover the cost of one of two quotes provided to them by Mr B setting out the damage to his property caused by the delivery drivers and the cost to put that right.*
- cancel the loan agreement and return any money Mr B paid towards it, with interest at 8% simple each year from the date of each payment to the date of settlement.*
- remove any adverse information in relation to this agreement from Mr B's credit file.*
- pays Mr B £500 compensation for the distress and inconvenience he's been caused".*

I asked Mr B and Secure Trust to provide me with any further comments or evidence they wanted me to consider.

Mr B replied saying he accepted my provisional decision, although he mentioned that was on the basis this was the only offer he'd received from anyone to settle his complaint.

Secure Trust replied saying they didn't agree with my provisional decision. They said:

- O tried to arrange to collect the furniture, and any delays were caused by Mr B.*
- O is still willing to collect the furniture, but this needs to be within a reasonable time.*

- O's insurer tried to settle this amicably with Mr B and offered him £100 to rectify the damage caused to his property by the delivery drivers. Mr B provided a quote for just over £3,000 which was wholly inappropriate. The loss adjuster had said the damage was minimal and only required a small touch-up.
- Although they agreed to cancel the finance, pay interest to Mr B, and remove adverse information from his credit file, £500 for distress and inconvenience wasn't appropriate compensation as they and O had tried to resolve the matter at the earliest opportunity, and it was Mr B's conduct that prevented this from happening.

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'd like to thank both parties for their responses.

Secure Trust agree with certain elements of my provisional decision, namely that the furniture can be collected and that they will cancel the loan agreement, pay interest to Mr B and remove any adverse information from his credit file in relation to this agreement. However, they don't agree with the parts where I said they should cover the cost of one of two quotes in respect of repairing the damage caused by the delivery drivers or that they should pay £500 compensation.

Secure Trust feel that the quote previously provided to them by Mr B was unreasonable because O's insurer's ascertained that £100 was enough to rectify the damage. I don't know on what basis that amount was determined. However, I note that Mr B has said that work needs to be done to remove the radiators so that the damage can be fixed. Even if I saw a picture of the damage as Secure Trust has suggested, it likely won't tell me whether the work Mr B says is needed, isn't needed.

However, because there is such a discrepancy between the quote from Mr B and from O's insurers, I think the most practical way to settle this part of the complaint is that Mr B still provides Secure Trust with two quotes and that they cover the cost to put the damage right, on the basis that the quotes explain what work is needed to do that, and that each element of the work is required because of the nature of the damage. In other words, the quotes should set out that each element of the work is needed because of the damage caused and why that is.

The other outstanding aspect is the £500 distress and inconvenience payable to Mr B. I've considered Secure Trust's comments about Mr B's conduct. However, I see no plausible reason why Mr B would have put barriers in the way of resolving this dispute; it was in his best interests to do so. Clearly, Mr B has been frustrated by what's happened. But this does stem from the fact that he was given goods that were damaged and because his property was also damaged. Overall, I think £500 is still a fair figure.

Putting things right

Secure Trust needs do the following:

- arrange to collect the furniture from Mr B at a convenient time to him, and at no cost to him.
- cover the cost of one of two quotes provided to them by Mr B setting out the damage to his property caused by the delivery drivers and the cost to put that right. The

quotes should set out exactly what work is needed, and why that work is linked to the damage that was caused when the furniture was delivered.

- cancel the loan agreement and return any money Mr B paid towards it, with interest at 8% simple each year from the date of each payment to the date of settlement.
- remove any adverse information in relation to this agreement from Mr B's credit file.
- pay Mr B £500 compensation for the distress and inconvenience he's been caused.

If Secure Trust considers they should deduct tax from the interest element of my award, they should provide Mr B with a certificate of tax deduction.

My final decision

I uphold this complaint and direct Secure Trust Bank Plc trading as V12 Retail Finance to take the action I've set out above in the 'putting things right' section of my decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 August 2025.

Daniel Picken
Ombudsman