DRN-5757398

The complaint

Mr S complains about the service he received from Creation Consumer Finance Ltd after experiencing problems with the installation of a new bathroom he purchased in part through a credit agreement.

What happened

In April 2024, Mr S bought a bathroom from a supplier I'll call "B", paying in part via a running account credit agreement taken with Creation.

The bathroom was due to be installed in June 2024, however, with issues still outstanding in August of that year, Mr S made a claim under Section 75 of the Consumer Credit Act 1974 ("Section 75") to Creation.

Mr S' dispute about the problems with the bathroom was ultimately successful, with B agreeing to a refund, alongside offering compensation, which Mr S accepted in December 2024.

Mr S was unhappy with the service and support Creation had provided throughout the claim, so raised a complaint. Mr S said Creation had misadvised him and had he followed this advice; he would have incurred significant financial losses. Mr S also raised concerns Creation had said the problems were cosmetic, which wasn't the case.

Mr S says he received no response to his complaint, so referred his concerns to our service.

I issued my provisional findings on Mr S' complaint, in which I said the following:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

My understanding is the underlying dispute and Section 75 claim has been resolved. Therefore, Mr S' complaint relates to the service Creation provided during this process, so this is what I've focused on in my decision.

While the claim itself has been resolved, I think it's helpful to set out Creation's obligations under Section 75, in order to then understand whether its actions were reasonable.

Section 75 sets out that, in certain circumstances, if Mr S paid for goods or services, in part or wholly via credit, and there was a breach of contract or misrepresentation by the supplier (B), Creation as the credit provider can be held jointly responsible.
Mr S raised the Section 75 claim with Creation in August 2024 and it was settled in December 2024, so I've reviewed what happened during this period.

Having received Mr S' claim, Creation contacted B to understand its position on the concerns Mr S had raised. B responded in September 2024 and acknowledged there had been problems with the fit of the bathroom, saying these were cosmetic, which it would rectify and that it would offer Mr S compensation. At the time, B didn't agree a rejection of *the bathroom was a reasonable outcome. While I appreciate Mr S had also provided extensive information, I don't think Creation was unreasonable in concluding the steps B was intending to take were reasonable based on what it had been told. I say this as while it had been agreed there were problems with the bathroom, B had said it was actively working to resolve them and expected to be able to do so, to a satisfactory standard.*

Mr S has said that if he accepted Creation's response this would have led to a considerable loss to him. I've taken on board his comments and understand the concerns he's raised, however as our Investigator explained, I'm not able to make an award for what may have happened, rather must base my decision on the events that occurred.

Rather than accept B's offer to rectify the outstanding issues, Mr S submitted an independent expert report, which detailed extensive issues with the bathroom. The report showed the problems weren't cosmetic, rather more significant. Following this, B accepted Mr S' dispute, offering a refund and compensation.

I don't doubt this entire period will have been distressing and frustrating to Mr S, however in reviewing the actions of Creation, I haven't found it acted unreasonably, which is in no way meant to take away from Mr S' overall experience.

Having received the independent report Mr S provided to support his position, his claim was successful. Throughout this period, I can see Creation was in correspondence with B to understand what steps were being taken. So, I haven't found Creation made an error in the way it considered Mr S' Section 75 claim. Rather it reviewed and drew conclusions from the evidence it was provided at each stage during the dispute.

Our Investigator set out she didn't think we could consider Mr S' concerns about Creation's handling of his complaint. However, as the nature of the complaint is closely linked to his claim, I think this is something I can address.

It's disappointing to see Creation didn't respond to Mr S' complaint within the expected timeframe, in relation to the service provided and the initial response to his claim, it's clear he wanted to understand the logic behind its decisions.

In saying this, while I agree Creation should have responded sooner, I can see it provided referral rights to our Service as I'd expect and Mr S was then able to refer his concerns to our Service, with Creation later providing a response to Mr S' complaint.

In conclusion, while I acknowledge the problems Mr S encountered with his bathroom would have been upsetting and frustrating, I think the actions of Creation were reasonable. It initially based its decision on the evidence available and when Mr S provided further evidence, this was reviewed with his claim being successfully settled. As a result, I won't be asking Creation to do anything else in relation to this complaint.

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.

Creation responded to my provisional findings to say it accepted the conclusions I'd reached. We didn't receive a response from Mr S by the deadline set.

As I haven't received any further comments or evidence having shared my provisional findings, I see no reason to alter the conclusions or outcome I've reached.

As a result, while I appreciate this answer may come as a disappointment to Mr S, I won't be asking Creation to do anything further. I say this, as for the reasons explained above, I think it was reasonable in its handling of his Section 75 claim. And while Creation should have provided a timelier response to Mr S' concerns, it did eventually do this and gave referral rights to our Service as I'd expect.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 September 2025.

Christopher Convery
Ombudsman