

The complaint

Mr D complains about the way Frasers Group Financial Services Limited trading as Studio ('FGFS') handled his queries about a purchase he made.

What happened

The background to this complaint is well known to both parties so I'll only summarise it here.

- Mr D has a running credit account with FGFS where he can order goods on credit from a retailer – for ease of reference I'll refer to this latter party as 'T'. T is an online 'catalogue' company.
- In 2024, Mr D ordered an item (the 'item' or 'goods') using credit provided by FGFS from T. There was a problem with the delivery of this item and ultimately, the goods were never delivered to him. Mr D was unsure if he'd received a refund. After he raised a complaint about, amongst other things, the service he'd received, T offered him a £80 voucher in compensation to be credited to him via his online account, but he said he was never paid this amount.
- Mr D referred his complaint to our Service. Our investigator explained that many of Mr D's points were in relation to the retail aspects so we couldn't consider them. However, our investigator did consider whether FGFS could be held liable under section 75 of the Consumer Credit Act 1974 ('section 75 of the CCA') for any breach of contract by T. But as Mr D had received a refund for the item that was returned, our investigator didn't recommend upholding the complaint.
- Mr D disagreed with the investigator's view so, the matter has been passed to me for a decision. I issued a provisional decision providing additional reasoning for reaching the same outcome as our investigator. Mr D still didn't agree so the matter has been passed back to me to finalise.

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.

Whilst I may not refer to every point each party has made, I've considered everything that has been provided to us. Mr D disagreed with my provisional decision reiterating that he still hasn't been paid the £80 voucher. However, from what I can see he hasn't provided any new persuasive evidence to show that FGFS has acted incorrectly in his case. So, my decision remains that I don't uphold this complaint for the following reasons:

- Many of the issues Mr D has raised is about how T – the retailer – handled his order (non-delivery of the item; the item being returned without being delivered correctly; and when Mr D tried to re-order the item it'd gone up in price). As our investigator has said, these aren't regulated activities. And as I said in my provisional decision, the main point here is that the business who was responsible for the order is

separate from FGFS. T and FGFS are linked but they operate separately, and I can't hold FGFS responsible for service issues related to T's retail activities.

- I can, however, consider whether FGFS can be held liable for a potential breach of contract by T under section 75 of the CCA. But in this case Mr D was fully refunded for the item he ordered which he hasn't disputed. So, even if there had been a breach of contract, I think Mr D has been fully refunded for this, so I don't think FGFS has to do anything more to remedy this issue.
- I take on board Mr D's points about not receiving the £80 voucher offered by T, as well as the issue of the item increasing in price and the failed delivery. But I don't think these issues amount to a breach of contract as it's about the service provided by T. As I've explained, this is separate from FGFS. As far as the service provided by FGFS is concerned, I can't reasonably or fairly conclude it has done anything wrong.

So, whilst I understand Mr D's frustration with the purchase he made via his online account with T and the problems that ensued, I'm not upholding his complaint against FGFS.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 5 November 2025.

Yolande Mcleod
Ombudsman