

The complaint

Mrs F complains about how Propensio Finance Limited handled a claim she made under Section 75 of the Consumer Credit Act 1974 ("Section 75").

Throughout her complaint, a family member has represented Mrs F. But for ease, I'll just refer to "Mrs F".

What happened

In January 2024, Mrs F entered into a contract with a supplier, who I'll call "X". The contract meant that Mrs F was to pay X to provide a thermal, waterproof coating on the exterior walls of her home. To pay for the work, Mrs F took out a fixed sum loan agreement with Propensio. Under the agreement, Mrs F was scheduled to make regular monthly repayments of around £110 over a ten year period.

After X had finished the work, Mrs F says she noticed that the coating was patchy and uneven. Mrs F also said that X had dripped paint onto the patio area of her home and onto her windows. So, Mrs F asked X to come back and put things right.

However, Mrs F says X didn't return to her home when they were supposed to and she found it difficult to try and sort the issue out. In the meantime, Mrs F gathered quotes from other suppliers and took photographs of where she says X's work wasn't of satisfactory quality.

Eventually, Mrs F contacted Propensio and raised a Section 75 claim. Although Propensio acknowledged Mrs F's claim, they didn't provide a summary of their review. So, Mrs F complained to Propensio and said they hadn't handled her claim fairly.

In their final response to Mrs F's complaint, Propensio said that Mrs F had prevented X from assessing the work. So, X hadn't been able to put things right. They asked Mrs F to work with X to see what more could be done. Mrs F didn't accept Propensio's response and brought her complaint to us. She said she had tried to organise a repair with X, but they had ignored her. And because of that, she now wanted a different company to carry out the repairs.

One of our investigators looked into Mrs F's complaint and found that Propensio hadn't treated Mrs F fairly. She said neither X nor Propensio had inspected the wall coating, and found that they should organise an independent inspection of X's work.

The investigator said that Propensio should pay for any follow up work needed, or offer Mrs F a discount on the price X had charged. Additionally, the investigator said that Propensio should pay Mrs F £100 for the distress and inconvenience they had caused, for the delays in handling her Section 75 claim.

Mrs F accepted the investigator's findings, but Propensio didn't. They said it was Mrs F that caused the delays by not talking to X. They also said that Mrs F had told X she was satisfied with their work, on the day it was completed.

The investigator didn't change her conclusions and Mrs F's complaint has now been passed to me to make a final decision.

I sent Mrs F and Propensio my provisional decision on this case, on 15 October 2025. I explained that while I think the complaint should be upheld, I had reached a different settlement to the investigator. A copy of my provisional findings is included below:

This case is about a fixed sum loan agreement which Mrs F took out with Propensio. These types of loans are regulated financial products, so we are able to consider complaints about them.

Section 75 and The Consumer Rights Act 2015 (CRA)

Section 75 is a statutory protection that enables Mrs F to make a like claim against Propensio, for a breach of contract or misrepresentations by X. But, Mrs F only has the ability to make a like claim under certain conditions.

Mrs F had a separate agreement with X for the provision of goods or services. Having considered that contract, I think the necessary relationships exist between the parties and the claim is within the relevant financial limits. So, I think a Mrs F was able to raise a Section 75 claim against Propensio. The CRA is also relevant to this complaint.

The CRA implies terms into the contract that traders must perform the service with reasonable care and skill. And that services should be performed within a reasonable amount of time.

Additionally, the CRA implies terms into the contract that goods supplied will be of satisfactory quality. It also sets out what remedies are available to consumers, if statutory rights under a goods or services contract are not met.

In the instance of a breach of contract by a supplier, the CRA says a consumer has a right to a repeat performance of the service. If a repeat performance isn't possible, then a consumer has a right to a reduction in the price.

The thermal wall coating

The crux of Mrs F's case is that she says X didn't coat the exterior walls of her home to an acceptable standard. She says the coating was patchy and that X left paint splashes on the patio, post box and window frames at her property. So, I've gone on to consider if X breached the contract they have with Mrs F and if Propensio are required to take further steps.

To support her side of the dispute, Mrs F provided Propensio with photographs of the exterior walls of her home and the paint splashes on her patio, post box and window frames. Mrs F also provided Propensio with quotes, from similar companies to X, for thermal waterproof coating at her home. Additionally, Mrs F sent Propensio a quote from a company who estimated that it would cost £300 to remove the paint splashes.

In their review of the work carried out by X, Propensio didn't instruct an independent expert to assess the wall coating. Instead, Propensio concentrated their review on X's attempts to put things right. So, they've been unable to look at a reliable report of the service provided by X.

I've carefully considered all the evidence of the work carried out by X to Mrs F's home. Having done so, I don't think the evidence shows that the wall coating was patchy, or

incomplete. I acknowledge Mrs F has a different opinion and has tried to demonstrate through the photographs, where she says X's work was poor. But, I don't think the patches Mrs F refers to are clearly seen in the images.

Furthermore, I've thought about the two quotes Mrs F has provided. I can see that they are from firms similar to X and provide estimates for carrying out thermal wall coating. But, neither of the quotes suggest they are to repair or put right the work of X. So, I don't think the quotes strengthen Mrs F's argument that X's wall coating wasn't completed correctly.

Overall, I'm not persuaded the photographs or the estimates for similar work show that the wall coating carried out by X, wasn't to a reasonable standard. It then follows that I don't think X has breached the contract they have with Mrs F, where she says the work was patchy, or incomplete.

The damage to Mrs F's home

The standard of the wall coating was only part of Mrs F's complaint. She has also raised concerns about the splashes of wall coating on the patio, window frames and post box at her home. She says X caused this damage and Propensio should pay to remove the paint marks from her property.

Having looked at the images Mrs F has provided, I can see where there are splashes of the wall coating in the areas she has described. And that the marks are the same colour as the product used by X. I can also see that the images were provided to Propensio shortly after X completed the work. So, I'm persuaded that it was X that caused the damage to Mrs F's home.

I've been unable to conclude there was a problem with the wall coating, so I haven't found that X should pay for a repair. But, I think Mrs F has shown that X were responsible for the untidiness of their work. In other words, where X haven't carried out the work with reasonable care and skill.

So, it is for this reason, I think X have breached their contract with Mrs F and that she is due a remedy to put that part of her complaint right.

Mrs F has obtained a quote for the removal of the splashes of wall coating from the areas around her property. I've carefully considered the details of the quote, in so far as what is needed to remove the paint marks. Having done so, I think the quote is reasonable.

After reflecting on the remedies available to Mrs F under the CRA, I don't think a repeat performance lends itself to what is needed here. Additionally, I'm aware that Mrs F may need the funds upfront, to pay for the removal of the splashes of wall coating. I say this because it doesn't seem that Mrs F has yet to have the marks removed.

So, I don't think a price reduction would necessarily help her either. In all the circumstances, I think it's fair for Propensio to pay Mrs F £300 for the cost she has been quoted for the paint removal.

Propensio's handling of the Section 75 claim

While I'm unable to consider how X have treated Mrs F, I can look at how Propensio handled her Section 75 claim, when she made them aware of her concerns.

I can see from Propensio's records of their contact with Mrs F and from Mrs F's own records, that she first raised her dispute in March 2024, shortly after X had carried out the work.

Propensio's records show they acknowledged Mrs F's Section 75 claim almost straight away, but they didn't provide the outcome of their review until July 2024. This was after Mrs F had approached our service.

Throughout the four months it took Propensio to provide their review, I can see that Mrs F was proactive in obtaining quotes and asking X for help. I can see that all the quotes and images were provided to Propensio in early May 2024.

I acknowledge that Mrs F reached a point where she didn't want X to return to her home, which made it difficult for them to put a remedy into place. But, I don't think Mrs F put any barriers in place when X first tried to inspect the work. I say this as I've seen email correspondence between Mrs F and X which shows confusion about whether X attended Mrs F's home when planned, or where Mrs F wasn't at home when X arrived.

Propensio say the correspondence suggests Mrs F didn't communicate with X, which stopped them from helping. However, I don't agree. I say this as I'm persuaded the evidence demonstrates where Mrs F attempted to get X to revisit, but wasn't really getting anywhere. It seems this caused her frustration and then a subsequent loss of trust in X.

Having considered everything, I think Propensio caused a delay in handling Mrs F's Section 75 claim. I think Propensio had all the information they needed in May 2024, to show where Mrs F had tried to get X to review the standard of the wall coating. Where it seems both parties had reached an impasse, I think Propensio could have worked with Mrs F to arrange for a different contractor to assess the concerns they had.

Against this background, I think Propensio have caused Mrs F distress and inconvenience. Mrs F has explained that she has lived with the damage to her property since March 2024 and was left frustrated when Propensio didn't intervene to help.

In all the circumstances I think it's reasonable for Propensio to make a payment to Mrs F for the distress and inconvenience they caused when handling her Section 75 claim. Having thought very carefully about what Mrs F has explained and the evidence provided, I think a payment of £100 is a fair level to reflect the distress and inconvenience she has experienced.

Finally, I can see from the correspondence between all the parties that X's offer to inspect the work, may still be available to Mrs F. Propensio have said that after the assessment, they will be able to decide if they need to take further steps.

I think Propensio's approach is reasonable here and I leave it to Mrs F to make arrangements with them, for a further assessment to take place.

Propensio responded to the provisional decision, but had no further information to add. Mrs F responded to the provisional decision and in summary, she said:

- Inspection visits were arranged with X, but on one occasion she wasn't at home and on another X didn't attend.
- X attempted to repair the wall coating on three separate visits, but was unable to put things right.
- Propensio should now arrange for someone else to visit and inspect the wall coating work carried out by X.
- The photographs she has provided clearly show that X's work was patchy and of a

poor standard.

- The settlement put forward in the provisional decision was too low.

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.

Mrs F has explained that in her opinion, the photographs she has sent to us show where X's work with the wall coating was patchy. Having thought again about what Mrs F says, I accept that she has a different opinion to what I've summarised.

I'm also aware that X may well have tried to address the areas where Mrs F says the wall coating was patchy. I can see where arrangements for attending Mrs F's home didn't go ahead. Although I agree this caused Mrs F additional frustration, I still don't think it demonstrates where the work carried out by X was poor.

It remains that there isn't an expert report on the work carried out by X. And I think the photographs Mrs F has provided are limited in evidencing an unreasonable level of care and skill by X. On balance, I still don't think that Mrs F has shown where X has breached the contract they had with her for the wall coating. So, I don't think Propensio needs to offer a remedy to put that work right.

With that in mind, I still think requiring Propensio to pay for the damage caused to Mrs F's property is fair. So, I think it's reasonable for Propensio to pay Mrs F the amount of £300, that she has been quoted for the removal of the paint splash damage, from the exterior areas of her home. I'm also still satisfied that a payment of £100 for the distress and inconvenience Propensio have caused in the handling of Mrs F's Section 75 claim is fair.

Mrs F has also explained that she'd like to take Propensio up on their offer to inspect and assess the work carried out by X. I can see that Propensio made that offer in good faith and I haven't seen any evidence to suggest they won't follow through with what they've said. So, I leave it to Propensio and Mrs F, to make those arrangements for a further assessment to take place.

Putting things right

For these reasons, I require Propensio Finance Limited to:

1. Pay Mrs F £300 for the cost of removing the wall paint from the patio area; and
2. Pay Mrs F £100 for the distress and inconvenience caused.

My final decision

My final decision is that I uphold this complaint and require Propensio Finance Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 5 December 2025.

Sam Wedderburn
Ombudsman