

The complaint

Miss T complains about the level of service she received from SME HCI Limited, trading as Vivup ("Vivup") when she acquired a bike through her employer's Cycle to Work Scheme.

What happened

Miss T entered into a hire agreement with Vivup in April 2025. The agreement was set up over an 18-month term, and Miss T made payments towards the agreement via salary sacrifice deductions through her employer. In return to agreeing to these salary deductions, she was provided with a voucher that she utilised to acquire the bike under the hire agreement with Vivup. The bike itself was supplied by a cycle retailer (R).

Miss T told us:

- She completed her order for the bike on 8 April 2025 and a few days later was advised by R that her order had been successful and the bike was ready to be dispatched. She arranged delivery for the end of the month on a day that she knew she'd be at home;
- the bike didn't arrive on the scheduled day, and the courier subsequently contacted her to say that the packaging was damaged, and she believes the bike was returned to R;
- a week later R contacted her to rearrange delivery, and it confirmed that the bike would be delivered on 8 May, but the bike didn't arrive until 12 May, and the packaging was damaged. The courier blamed R for inadequate packaging but said the bike was fine;
- when she opened the bike box, she noticed that the bike was scratched so she reported this to R and was offered £75 compensation for the cosmetic scratches, but she rejected this offer because the bike was valued at £2,000. And she asked R to collect the bike and arrange a replacement;
- although no replacement was available, she asked R to proceed with collecting the bike and it told her it would send her a box, and she should contact it again once she'd packaged it up and the bike was ready for collection;
- there were further issues with packaging; boxes left out in the rain; packaging tape not being provided; and she simply was unable to lift the bike into the box;
- she's continued having monthly payments deducted from her salary by her employer which she says is unlawful, and R won't assist her in getting the bike returned;
- she says Vivup should refund her the payments she's had taken from her monthly salary, and it should compensate her accordingly.

Vivup rejected this complaint. It told this Service that it knew Miss T had raised concerns about the bike supplied by R, and it raised a returns request with R so that packaging could be sent to Miss T, and the bike could be collected. But, because of a misunderstanding it had to raise a second request so that packaging tape was also supplied.

Vivup said Miss T told it that she was experiencing difficulty boxing up the bike, and it said she'd need to get help or assistance from friends, neighbours or family because it could only arrange collection of the bike if it was re-packaged and someone was at home to sign for the

collection of it. Vivup said Miss T emailed saying the bike was outside, she'd be away from home for several weeks; and *"we better arrange for it to be uplifted"*.

Vivup said it contacted Miss T again in early June to try resolve the matter as quickly as possible. It told her that under the terms and conditions she'd signed, the returned bike needed packaging, and once she sent a photo of the packaged bike, it would arrange collection. And it said that several bike boxes were sent to Miss T, but this didn't resolve the matter.

Vivup told this Service that *"we made every reasonable effort to facilitate a smooth and efficient returns process for the customer, providing required packaging on three occasions and advising the customer how to wheel the bike into the box and seal it. We also engaged with [Miss T's] employer (our Client) for additional support on this matter and they engaged with us proactively to also try to help resolve this. Unfortunately, we have been unable to proceed with the collection of the bike to date, as [Miss T] has refused to package it ready for collection in accordance with the agreed terms and conditions. This requirement was clearly outlined and communicated to [Miss T] as part of the return process"*.

Our investigator looked at this complaint and said she didn't think that it should be upheld. She explained that this Service could only look at the actions of Vivup, it was not able to consider or comment on the actions of R, or on the actions of Miss T's employer.

She explained that although she understood the difficulties Miss T had faced in trying to get the bike re-packaged, this was not something she could hold Vivup responsible for. She explained that the regulated hire agreement that Miss T had signed was for Vivup to provide her with the Cycle to Work voucher. It had done this and there were no issues with the provision of the voucher. Our Investigator explained that the issues and difficulties Miss T had experienced were not a result of any failure by Vivup. Accordingly she could not recommend that Vivup take any action to resolve matters.

Miss T disagrees so the complaint comes to me to decide. She complains about the unreliability of the couriers; the difficulties in packaging the bike; the rain damage to the packaging provided; and the lack of appreciation or flexibility shown by Vivup.

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 hope that Miss T won't take it as a discourtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of this complaint. Our rules allow me to do that. Miss T should note, however, that although I may not address each individual point that she's raised, I have given careful consideration to all of her submissions before arriving at my decision.

Having considered all the evidence and testimony afresh, I've reached the same conclusion as our Investigator – I don't think this complaint should be upheld – and I'll explain why.

The credit agreement entered into by Miss T is a regulated consumer credit agreement which means that this Service is able to consider complaints relating to it.

I have to tell Miss T that this Service can only consider the actions of Vivup in this matter – it is regulated. But I simply cannot look at any complaint she may have about R – the retailer in this matter – because it is outside of this Service's jurisdiction. Similarly I'm not able to

comment on Miss T's employer's position in respect of the payments she's making via her salary sacrifice scheme.

In this particular case, Miss T signed a regulated credit agreement with Vivup. The agreement makes it very clear what Vivup was required to provide in exchange for her signing that agreement. The agreement states that Vivup *"agrees to hire you the Bundle for the Minimum Period of Hire in exchange for the Hire Voucher ("Voucher") provided to you for this purpose by [Miss T's employer]."*

The agreement explains what the "Bundle" is and goes on to state that *"You may have entered into a separate salary sacrifice agreement with your employer in exchange for the Voucher. That agreement and this Agreement are separate and neither has any effect on the other".*

So looking at everything it's clear to me that Vivup was only responsible for providing the voucher – which it did – so that Miss T could then select the bike that she wanted under her employer's scheme. I can't hold Vivup liable for any customer service issues she's experiencing with R as she attempts to return the bike. And I can't hold Vivup responsible for any issues with the arrangement she reached with her employer about any salary sacrifice scheme and the payments deducted monthly from her salary. Accordingly, I can't uphold this complaint

I know that Miss T will be disappointed with the outcome of her complaint, but I hope she understands why I've reached the conclusions that I have.

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 Miss T to accept or reject my decision before 22 December 2025.

Andrew Macnamara
Ombudsman