

The complaint

Mrs O complains about the service received from Creation Consumer Finance Limited when trying to resolve issues in relation to a kitchen she purchased on finance.

What happened

The background to this complaint is well known to both parties, so I won't repeat it at length here. As a summary, Mrs O purchased a kitchen, including its installation in October 2024 with a company I'll call "W". Mrs O financed the purchase of the kitchen through a fixed sum loan agreement with Creation.

The kitchen was fitted in November 2024 and Mrs O raised concerns with W in January 2025, about aspects of the kitchen including the installation and that a number of the electrical appliances weren't working. Mrs O also raised a claim under Section 75 of the Consumer Credit Act 1974 ("Section 75") with Creation.

W inspected Mrs O's kitchen on 10 February 2025 and accepted that further work was needed and drew up a plan of works. W asked that Mrs O first have an electrician check the electrical concerns she'd raised. W said this was because Mrs O had raised concerns about a number of the electrical appliances, so thought the issue was more likely due to the electrical supply rather than the goods themselves being faulty. W said once it had received a report from Mrs O's electrician, it could then carry out the further works it was liable for.

Considering its liabilities under Section 75, Creation said W had offered a fair remedy to the problems it was responsible for in relation to the kitchen. It also thought W was reasonable in asking Mrs O to appoint an electrician to check her electrics before carrying out further work.

Unhappy with Creation's response, Mrs O referred her complaint to the Financial Ombudsman. One of our Investigator's looked into things, during his investigation, W offered to carry out an inspection of the extractor fan or provide a refund. Mrs O confirmed she intended to accept the offer of a refund for the extractor fan.

Overall, our Investigator considered Creation's answer reasonable. He thought it had considered its obligations to Mrs O under Section 75 and the contract she'd entered into with W. Our Investigator however thought Creation could have provided a better level of service during its consideration of the claim, so recommended it pay Mrs O £200 in recognition of this.

Creation accepted our Investigator's recommendations. Mrs O disagreed and said a number of problems remained outstanding with her kitchen and she considered W and in turn Creation were responsible for the electrical problems. Mrs O said she considered a price reduction to the cost of her kitchen was more appropriate.

As the matter wasn't resolved, the complaint has been passed to me to decide.

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 want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I want to assure Mr O and Creation that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I note in some of Mrs O's submissions to our Service; she's raised concerns about Creation's request for payment in relation to this finance agreement. My understanding is Mrs O raised a complaint about this in October 2025. As this concern was raised after Mrs O referred this complaint about her Section 75 claim to our Service, it isn't something I'll be in a position to comment on in this decision. Rather, having received a response from Creation on this point, should Mrs O remain unhappy she can refer this as a separate complaint to our Service.

I also note that since referring the complaint to our Service, Mrs O has raised concerns the washing machine leaked and caused damage to the kitchen floor. While this may lead to a Section 75 claim with Creation, this is a new issue and not one I'm aware that has been raised with Creation specifically. So, in the first instance, should Mrs O have concerns about the current issues with the dishwasher that she considers Creation is liable for, she'd need to raise it with the firm in the first instance.

Therefore, to confirm, in this decision I'm reviewing whether Creation gave fair consideration to Mrs O's Section 75 claim made in January 2025, following the purchase and installation of her kitchen.

Section 75 is a form of protection that applies to certain purchases made using credit, where the lender can be held liable for a misrepresentation or breach of contract made by the supplier (W) in certain conditions.

For Section 75 to apply to a purchase there are specific requirements that must be met, such as a relationship between the parties and the claim falling within relevant financial limits. I'm satisfied Mrs O's claim meets these requirements. It's important to note this is a goods and services contract as it encompassed both supply and installation elements.

The Consumer Rights Act 2015 (CRA) is also relevant to this complaint. The CRA implies terms into Mrs O's contract with W that the traders must perform the service with reasonable care and skill. And that services should be performed within a reasonable amount of time. The CRA further implies terms into the contract that goods supplied will be of satisfactory quality. The CRA also sets out what remedies are available to consumers if statutory rights under a goods or services contract are not met.

In this decision I think it's also important to set out I'm not considering a complaint against W, rather against Creation. So, I have to consider Creation's obligations as the provider of financial services – in this case its liability for breach of contract or misrepresentation under Section 75. That is to say, Creation isn't necessarily responsible for everything that might go wrong in Mrs O's relationship with W.

All parties appear to accept that there were problems with the installation of the kitchen, including damage to units. So, I think it's reasonable to conclude that there had been a breach of contract.

The CRA sets out the remedies Mrs O is entitled to, should a breach of contract occur. As the problems related to a goods and services contract, in the first instance this is that she can require W to carry out repeat performance.

Here, this is what W appears to have offered. It carried out a site visit when Mrs O made it aware of outstanding issues and acknowledged that rectification work was necessary and drew up a proposal of works which it has said it's willing to carry out.

I understand W asked Mrs O in the first instance to appoint an electrician to carry out an inspection of her electricity supply. It said this as Mrs O had raised problems with a number of new electrical appliances, so it considered this to be more likely due to the electricity supply, rather than problems with the appliances. My understanding is Mrs O has now had this work carried out and it was confirmed that her circuit breaker needed updating. So, again I haven't found Creation was unreasonable in finding the remedy W had put forward, to be reasonable in the first instance.

I've considered Mrs O's concerns that she had to pay for the remedial works carried out by an electrician in September 2025. I haven't seen persuasive evidence that the further work, was a result of poor works carried out under the contract with W, financed through Creation. So, I don't then find that Creation is liable to reimburse Mrs O the cost of these remedial works under Section 75.

Mrs O has said that due to the outstanding issues with her kitchen, she considers a price reduction to be a fairer outcome. I don't however find Creation unreasonable in not offering this under Section 75 based on the current offer made by W. As explained above, Section 75 allows Mrs O to make a 'like claim' against Creation for a breach of contract.

While it's accepted that there was a breach of her contract with W, for the reasons explained above, I think Creation was reasonable in concluding W had offered a fair remedy to put things right, so as to mean it wasn't liable to provide any further remedy under Section 75. Should W look to carry out the rectification works and problems remain outstanding, Mrs O could then discuss this further with Creation. I can't however make a finding on what may happen in the future.

Our Investigator recommend Creation pay Mrs O £200 compensation to acknowledge any upset or inconvenience caused through making her Section 75 claim. Here, I appreciate needing to raise a dispute about a new kitchen will be disappointing and likely frustrating. I can't however hold Creation at fault for Mrs O needing to raise the claim, this is a responsibility that sits with W. Rather I must consider fair compensation based on the service Creation has provided. Having taken everything into consideration, I do find £200 reasonable and in line with how our Service considers compensation, so think it appropriate that Creation pay this to Mrs O.

My final decision

For the reasons I've explained above, I uphold this complaint. To put things right, I direct Creation Consumer Finance Limited to pay Mrs O £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 31 March 2026.

Christopher Convery
Ombudsman

