

The complaint

Mr R has complained about the way Creation Financial Services Limited (“Creation”) dealt with a claim for money back in relation to a purchase made using a credit card.

What happened

The circumstances of the complaint are well known to the parties so I won’t go over everything again in detail. But to summarise, Mr R referred a complaint to the Financial Ombudsman in July 2025 about the way Creation handled a claim under section 75 of the Consumer Credit Act 1974 (“CCA”) in relation to a solar panel system he’d bought using his Creation credit card around March 2019. He gave some background explaining he entered into a contract with a solar panel supplier that I’ll call “E Ltd” in 2019 to buy a solar panel system for around £9,000. I understand the payments were made to a company I’ll call “S Ltd”. Mr R explained E Ltd and S Ltd were connected at the time of the transaction.

Mr R said there were problems with the installation. He said in March 2022 the system’s batteries failed, and E refused responsibility and referred him to the manufacturer. He said he raised a section 75 claim with Creation at the time, and it initially declined liability but ultimately said the supplier should be allowed a repair attempt, which it did.

Mr R said the replacement batteries have since failed again and so he requested a full refund from Creation. Creation had sent a final response in July 2024 saying it didn’t have enough evidence to uphold the claim because it didn’t have a report on the issues post-repair.

Creation sent another final response letter in August 2025 to say it declined the claim because the necessary conditions for a claim to be considered under section 75 didn’t exist. It also highlighted again batteries were replaced so another report was required to conduct a review.

One of our investigators looked into things and didn’t make any recommendations.

Mr R didn’t agree. He said the evidence demonstrates both breach of contract and misrepresentation by E. He said E directed him to the manufacturer, but it had a duty of care to resolve the issue. He said the necessary conditions for a claim to be considered under section 75 did exist. He also said a September 2023 report confirmed the battery and inverter failure and they have failed again. He said Creation refused to pay the cost of a further inspection. He said he remained in continuous correspondence with Creation after July 2024 and that the complaint wasn’t closed. He requested a repair or replacement; compensation for higher energy costs; the cost of a report; compensation for distress and inconvenience; and any other related costs he incurs.

As things weren’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 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'm required to decide matters quickly and with minimum formality. But I want to assure Mr R 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 also want to say I'm very sorry to hear Mr R has had problems with the system. I can see it cost a significant sum. I thank him for taking the time to bring the complaint.

I'm conscious there was a final response sent in 2024, but Mr R didn't refer his complaint to the Financial Ombudsman until around a year later. Time limits can affect whether our service has the power to consider the complaint. Creation hasn't objected to our investigator's findings. And given it sent another final response in August 2025 reinvestigating the complaint, I think I'm fairly able to deal with this complaint to the extent it relates to Creation's August 2025 answer.

What I need to consider is whether Creation – as a provider of financial services – has acted fairly and reasonably in the way it handled Mr R's request for getting money back or for supporting him in some other way. It's important to note Creation isn't the supplier. I've gone on to think about the specific card protections that are available. In situations like this, Creation can consider assessing a claim under section 75 or raising a chargeback.

Given the time that's passed, the nature of the complaint referred, and that Mr R is claiming consequential losses, I've focussed on Creation's handling of the section 75 claim because I think section 75 was more suited to the type of claim raised.

Section 75 is a statutory protection that enables Mr R to make a like claim against Creation for breach of contract or misrepresentation by a supplier paid by credit card in respect of an agreement it had with him for the provision of goods or services. But there are certain conditions that need to be met for section 75 to apply. The value of the transaction falls within the financial limits. There also needs to be a debtor-creditor-supplier ("DCS") agreement in place. Having multiple parties involved can impact the arrangement.

One of the conditions for a claim to be considered under section 75 is that the borrower (debtor) needs to have used the credit to pay the same company which they have a like claim against for breach of contract or misrepresentation.

Creation said the problem in this case is that Mr R used his card to pay the cost of the contract, and the contract is with E Ltd. But Mr R's payments went to S Ltd. I think Creation had valid concerns that there wasn't a direct link between Mr R (the debtor), itself (the creditor) and E Ltd (the supplier).

On the face of it, it doesn't seem that the necessary DCS agreement is in place. While I know Mr R says E Ltd and S Ltd were partner companies, they are ultimately separate entities. Under section 187 of the CCA, a transaction will have been entered into under the necessary pre-existing arrangements between the creditor and supplier if the creditor sends the payment to a supplier's associate. An associate is defined in section 184 of the CCA. Two limited companies can be associates if they are controlled by the same people, or by related people and a person is an associate of a company if they control it.

In this case, while I appreciate Mr R has highlighted E Ltd and S Ltd were connected in some way, I don't think Creation has seen enough to determine they were associates as per

the CCA, which is what I think it would've been required to establish. Therefore, I don't think Creation was supplied sufficient evidence to show the necessary conditions existed for a claim to be considered under section 75, even though it had previously taken steps in assisting Mr R by looking into the previous claim. So I don't consider I can uphold the complaint on that basis.

Finally, as I've said, I need to focus on what happened up to that August 2025 final response because the events relate to what Creation's had the chance to consider. I think Creation had valid concerns about whether there was a DCS agreement in place, so I think its answer on this was fair. Creation also explained it didn't have enough evidence post-repair to show what, if anything was wrong with the system, and the probable cause of any issues. I can understand why it took this position because of the lack of more recent evidence showing what, if anything, was wrong and why. I'll leave it to Mr R to decide if he wishes to still pursue the claim through Creation by supplying further evidence. I can't make findings on what may or may not happen in the future through this decision. But, in relation to the final response Creation sent in August 2025, I think its answer was broadly fair and I don't find I have the grounds to direct it take action.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 May 2026.

Simon Wingfield
Ombudsman