

complaint

Miss H complains that a TV she bought with the assistance of finance from NewDay Ltd is faulty and she has been charged too much interest.

background

Miss H bought a TV from a shop in 2012 on a buy now pay later credit agreement. Miss H explains that she was told in the shop that if she did not pay before the end of the interest free period she would be charged an extra £100-£200. Miss H says that the TV became faulty but because the shop was no longer trading she could not take the TV back and she could not claim on the insurance she bought. Miss H says that she had no contact details and when she tried to complain NewDay did not reply.

Our adjudicator did not recommend that the complaint should be upheld. He considered that NewDay had not made a mistake with the interest that had been charged and it was in line with the agreement signed by Miss H. He considered that the paperwork did not show that Miss H had bought insurance to cover repairs to the TV and there was no evidence about when the TV became faulty. His view was that NewDay had not made any error. Miss H did not agree and responded to say that she had been treated unfairly because she had a verbal agreement with the shop about the interest and insurance was included in the price of the TV and NewDay were not helpful when she tried to complain.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have looked at the agreement signed by Miss H and I think it is clear what she would be charged if she didn't pay in full before the end of the interest free period. Although Miss H says that she was told something different in the shop I don't have enough evidence to safely conclude that the agreement was misrepresented to her. Looking at the information I have I think it is reasonable to conclude that the interest and charges were explained to Miss H in the agreement. I would have expected her to raise a query much sooner than she did if the agreement did not reflect her understanding.

Miss H says the TV is faulty but she couldn't take it back to the shop because it had closed down. She says that insurance was included in the price but she couldn't use it because the shop was closed. I don't have any evidence from Miss H about the insurance and without any paperwork I can't safely conclude that Miss H paid for insurance. NewDay explains that its records show that Miss H did not buy insurance and if she had she would still have been able to claim for repairs even though the shop was closed. On balance, I am unable to conclude that Miss H paid for insurance that was useless.

Miss H says that the TV developed a fault soon after she bought it but it is not clear exactly when the TV broke. Miss H is not sure when the TV stopped working but she said that she couldn't take it back to the shop. If the TV has a manufacturing fault then Miss H may still be able to complain but I don't have enough evidence to say that the TV was faulty at the point of sale.

When Miss H did complaint to NewDay she was unhappy about the interest and did not mention that the TV was faulty. I can see from the records provided by NewDay that it explained it was unable to reduce the interest rate as it was correct. NewDay took over the

account but this did not affect Miss H and she was told about it. I appreciate that Miss H is frustrated because she thinks that NewDay has been unhelpful but I can't say that they have made an error or treated Miss H unfairly in the circumstances. NewDay has asked Miss H to pay money that is due and although I can understand that this has been stressful for Miss H, NewDay has not been unreasonable by making requests for payment.

my final decision

My final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Miss H to accept or reject my decision before 2 July 2015.

Emma Boothroyd
ombudsman