

complaint

Mrs R complains that Shawbrook Bank Limited has made a mistake in refusing her a refund.

"T", a limited partnership, is Mrs R's representative. But to keep things simple where we've received information from T I've said this came from Mrs R. And where T has told us something I've said Mrs R told us this.

our initial conclusions

Our adjudicator didn't recommend that Mrs R's complaint be upheld.

Shawbrook accepted this recommendation. Mrs R didn't and she said she wanted an ombudsman to review her complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I've finished looking at Mrs R's complaint. I'm not upholding it. I explain why this is below.

Mrs R relies on section 75 of the Consumer Credit Act 1974. It says that if the supplier misrepresented or breached the contract it had with her then she can make a claim against Shawbrook. She says the contract was misrepresented. It says it wasn't.

Where I've got both sides saying different things I have to decide which version of events is the most likely.

Mrs R tells us that the supplier gave her incorrect information. She says the main reason she bought the system from it was she didn't realise the total cost of the system. And she thought it would be self-funding. I'll look at each of these in turn.

what was Mrs R most likely told about the total cost of the system?

Mrs R says she was misled about this because she didn't factor in that the total cost of the system to her was the price she paid for the system plus the cost of the loan.

She explains the reason for this is that one of the documents she had talked about the total cost of the system being the cost of the system alone. But it didn't also mention that she was taking out a loan to pay for the system and the costs associated with this.

The difficulty here is that the documents she had were clear and short. She signed them. I have to take it she read, understood and agreed with them. So it's not clear to me why she wouldn't have understood that she was buying the system and using a loan to do this.

When we spoke to Mrs R she said she didn't read all of the documents she signed. That was her choice. But it doesn't follow that because of this it would be fair to say she isn't bound by what she signed. Or that she was misled about the total cost of the system.

Further the supplier has explained its sales process. It had several stages. At least one of these stages involved going through the finance before anything was signed. I don't see why it's likely that the supplier didn't follow its own sales process here.

is it likely that Mrs R was told the system would be self-funding?

I've had a look at what Mrs R says about why she thought the system would be self-funding. She says part of the reason was because the supplier didn't include the finance costs in the calculations it showed her. I've dealt with this point.

Further she says the supplier exaggerated the income and savings she'd make. She said she could never have made this income or the savings. And moreover the supplier must have known this.

I've looked at the contractual documents; they make it clear that no guarantees are given about income or savings all the figures are estimates.

So then I've looked at whether these estimates were so out of line with what could be achieved with the system that the estimates had to be false. But looking at the information I've got available to me Mrs R has been achieving the estimated savings and income that she was told about.

Further I've seen nothing that leads me to think she was told the system would be self-funding if all the costs associated with the system were added to all the potential income and savings.

For all of these reasons I don't think in the circumstances that Mrs R was given incorrect information which led her to buy the system. It follows that taking into account section 75 I don't think it's fair and reasonable to ask Shawbrook to refund Mrs R.

my final decision

My final decision is that I don't uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 11 April 2016.

Joyce Gordon
ombudsman