

complaint

Mrs C complains that Shop Direct Finance Company Limited won't replace goods that were damaged on receipt and that it hasn't applied a promotional cashback offer to her account.

background

Mrs C opened a credit account with Shop Direct in May 2019. She then used that account to order a washing machine and tumble dryer for her daughter on buy now – pay later terms. Mrs C used a 10% discount code which reduced the price of each of them to £782.99 and there was a delivery charge of £6.99. But Mrs C says that the goods were damaged when they were received: the tumble dryer had two large dents on the side and the washing machine drawer was damaged.

She contacted Shop Direct and it said that collection of the goods could be arranged but that the goods couldn't be reordered until the return credit had been applied to her account. Mrs C didn't agree with that and the goods started to be used. Mrs C contacted her local council and it contacted Shop Direct on her behalf in August 2018. And Mrs C complained that the goods were faulty. Shop Direct referred her to its supplier's helpline as detailed in its returns policy and terms and conditions.

Shop Direct sent its final response to Mrs C's complaint in October 2018 but didn't uphold her complaint. An engineer repaired the goods in December 2018 but Mrs C says that they're still not working properly. So she complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. He was of the view that this could've been resolved in May 2018 if Mrs C had agreed to a collection and reorder. He didn't consider Shop Direct's returns procedure to be unreasonable and he said that he was unable to conclude that it had acted incorrectly as it was Mrs C's choice to start using the goods. He said that a cashback offer wasn't available to Mrs C on these goods and she had entered a first order discount code of 10% for the goods which reduced the price of them from £869.99 to £782.99. And he said that the terms of the discount code state that it can't be used in conjunction with any other offer.

Mrs C has asked for her complaint to be considered by an ombudsman. She says, in summary, that:

- her daughter is now left with two faulty machines and two large dents up the side of the tumble dryer;
- there was cashback of £75 per machine when these machines were purchased and there was no mention that it couldn't be claimed in conjunction with another offer – and she's sent screenshots of the cashback offer;
- this has been a huge inconvenience to her daughter - who had already returned faulty machines to Shop Direct after the washing machine flooded her kitchen and the tumble dryer was making slurping noises; and
- it's not as easy as returning the machines without a replacement in place as her daughter had to go weeks without a washing machine and tumble dryer when the other goods were returned as she and her partner work fulltime and live in the country so getting to a laundrette isn't an easy task.

Shop Direct says that the original offer that it made to Mrs C remains available to her – she can return the goods and replacements will be sent to her given that the goods were

damaged upon receipt (and regardless of the connection status) - but the return credit would still need to be applied to Mrs C's account before the replacement goods could be ordered.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Shop Direct hasn't disputed that the goods were damaged when they were delivered or that they're now faulty. It has offered to arrange a collection of the goods but says that they can't be reordered until the return credit has been applied to Mrs C's account. It says that that's in accordance with its terms and conditions which were accepted by Mrs C when she opened her account in May 2018. I consider that Shop Direct has complied with its terms and conditions and I'm not persuaded that it has acted unfairly or unreasonably in connection with the return of the goods.

The goods have been used but Shop Direct says that its original offer to Mrs C is still available to her and that she can return the goods and replacements will be sent to her when the return credit has been applied to her account. I consider that to be fair and reasonable in these circumstances.

Mrs C has referred to issues that her daughter has had with other goods that were bought from Shop Direct. But those goods weren't bought by Mrs C using this account with Shop Direct and the issues arising from those goods weren't included in Mrs C's original complaint – so I'm unable to consider them in this decision.

Mrs C says that as well as the 10% discount that was applied to the two goods, she was entitled to £75 cashback on each of them and she's provided screenshots of the goods from Shop Direct's website which say "*claim cashback*". But Shop Direct says that cashback wasn't available to Mrs C on the goods that she bought. And it says that Mrs C had entered a 10% new customer discount code for this order and that its terms and conditions say that the offer can't be used in conjunction with any other offers. I'm not persuaded that Mrs C has provided enough evidence to show that she was entitled to £75 cashback on each of the goods – and even if cashback had been available to her I consider it to be clear that she entered a discount code which couldn't be used in conjunction with any other offers. So I'm not persuaded that Shop Direct has acted incorrectly in connection with the cashback claimed by Mrs C.

Although I sympathise with Mrs C (and her daughter) for the issues that they've had with the goods, I find that it wouldn't be fair or reasonable for me to require Shop Direct to replace them, to credit any cashback to Mrs C's account or to take any other action in response to her complaint. If Mrs C now wants to accept Shop Direct's offer to collect the goods and reorder them when the return credit has been applied to her account she should contact Shop Direct.

my final decision

For these reasons, my decision is that I don't uphold Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 1 July 2019.

Jarrold Hastings
ombudsman