

complaint

Mr G complains that Creation Financial Services Limited rejected his Section 75 claim.

background

I issued a provisional decision on this complaint, a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I proposed to uphold Mr G's complaint and to require Creation to collect the sofa and refund Mr G 30% of the payments he's made under the agreement. I invited Mr G and Creation to let me have any further evidence or arguments they wanted to make before I finally determined the matter.

Mr G said he'd almost paid off the sofa and felt that he'd never been able to use it as he'd hoped. He was unhappy that Creation would be retaining a large percentage of what he'd paid for a product which he felt had never been fit for purpose. He said that he'd have to find a lot of money to purchase a replacement sofa and said he wanted a full refund.

Creation said that because the fault was reported after 6 months it was up to Mr G to show that the fault was present at the point of supply. It said the retailer then had the right to offer a repair or a refund in these circumstances. Creation said it wanted to arrange an inspection of the sofa at its cost.

my findings

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

I've taken into account what both parties have said. I appreciate that Mr G will have to purchase a replacement sofa in due course but looking at the nature of the fault which largely affects the recliner part of the sofa, I'm not persuaded that Mr G hasn't had use of the rest of the sofa and on balance I think the refund of 30% is fair.

I've also noted Creation's comments. I've already explained in my provisional decision that I don't think the sofa was durable and that the fault wasn't successfully repaired on the first attempt. I don't think the business should be given a further opportunity to inspect or repair the sofa now.

Taking everything into account I see no reasons to reach different conclusions from the ones I set out in my provisional decision.

my final decision

For these reasons – as well as those set out in more detail in my provisional decision – my final decision is to uphold the complaint. I require Creation Financial Services Limited to:

- Arrange for the sofa to be collected at no cost to Mr G
- Cancel the agreement with nothing further to pay
- Refund Mr G 30% of all payments made to date to reflect his impaired use of the sofa together with 8% simple interest per year from the date of payment to the date of settlement

- Pay compensation of £100 for inconvenience

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 June 2020.

Emma Davy
ombudsman