

complaint

Mr F complains about a faulty laptop he bought using his Creation Financial Services Limited (Creation) credit card. He would like a refund.

background

Mr F says he bought laptops for his three children in January 2016 using his Creation credit card. Unfortunately he says within a few weeks one developed a fault – an intermittent flickering on the screen. And the screen would then turn off. He says he reported this by phone to the manufacturer but as his daughter had to use the laptop for her studies she was unable to send it back to the manufacturer to be repaired until July 2016. The manufacturer repaired the laptop but Mr F says shortly after the screen kept turning off. Mr F says he contacted the manufacturer in September 2016 to say the repair had been unsuccessful and he wanted a replacement/refund.

He says the manufacturer wouldn't agree to replace or refund the cost of the laptop as Mr F was outside the cooling off period to return the item.

He said he had had other problems with the other two laptops he bought. One was successfully repaired by the manufacturer one by a third party.

Mr F said he then contacted Creation to recover his money but hasn't been able to do so.

Creation said that it couldn't help under the Charge Back Scheme rules as more than 120 days had passed since the fault occurred. It did consider a claim under Section 75 of the Consumer Credit Act 1975. But said it couldn't help as it couldn't confirm if the fault was a manufacturing error/defect. Or if the fault still existed. And the laptop was still under warranty and the manufacturer had offered to repair it.

Our investigator upheld the complaint. She found that as the fault occurred within a few weeks and was reported within the first six months it was likely the fault was due to a manufacturing error. And there have been two attempts to repair the laptop.

She recommended that Creation offer a replacement laptop.

Mr F accepted this but Creation didn't. It queried why it took so long for the laptop to be sent back to the manufacturer. And why Mr F turned down the manufacturer's offer to send an engineer to look at the laptop on site.

It also said as the item was still under warranty so it expected the warranty to be used to deal with any issues. It felt the manufacturer had showed it was confident it could resolve the problem and was willing to do so.

It queried if leaving the laptop faulty for six months might have resulted in further issues with it. And didn't feel there was any evidence the other laptops Mr F bought at the same time were faulty so didn't agree that there was necessarily a manufacturing issue.

Finally it said as a finance company if the complaint was upheld it couldn't provide Mr F with the suggested redress of a replacement laptop. It could only provide a refund.

Our investigator considered these comments but didn't change her view.

She felt that as there had already been two attempted repairs to the laptop it was reasonable for Mr F to have some concerns about a third attempt. Although she noted Creation's other comments she felt that as there had been problems with the laptop within six months of its purchase. And two attempted repairs. It was reasonable for Mr F not to have to pursue a repair. She noted Creation wasn't able to replace the laptop. And as Mr F now wanted a refund she recommended that Creation refund the cost of the laptop.

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 don't think there is any dispute that there have been problems with the laptop Mr F bought. The email trail he sent us between him and the manufacturer confirms the attempted repairs.

The email trail also confirms that another of the laptops he bought had the same problem of an intermittent flickering on the screen. And he has given us evidence to show the cost of a computer repair which he says was for the third laptop.

Mr F's complaint however is only about the one laptop he asked for a refund from the manufacturer and then from Creation for.

I agree with Creation's point about there is no evidence of a manufacturing defect/error in the correspondence between Mr F and the manufacturer. But equally there is no reference to misuse or accidental damage to the laptop; I think the latter is unlikely since two of Mr F's children experienced the same problem with the same laptop. It would be unusual for two people to cause the same accidental damage. Mr F has also given us evidence of repair costs for the third laptop. Taking all of this information together I am persuaded there was a problem with these laptops.

It's unfortunate that the manufacturer was able to repair one but not the other one that had the same problem.

I've noted Creation's comments that the manufacturer has offered to send an engineer to look at the laptop. I am not persuaded by Mr F's comments that this would be something his daughter wouldn't be able to accommodate due to her busy schedule. I can see there might be some sensitivity, as Mr F has suggested, to having an engineer alone with a student in her room. But his daughter could have asked a friend to be there with her. Or she could have found a neutral place she felt comfortable in to have the laptop looked at.

However I am also mindful that the manufacturer has taken back the laptop twice and been unable to resolve the problem. So I think there would have been some inconvenience to Mr F's daughter in organising for a third attempt at repair either via an engineer visit or by arranging to have the laptop collected again. I am also not persuaded Mr F, or his daughter, would have any faith in a third repair.

Mr F says the problem arose within the first few weeks of his daughter having the laptop and he says he called the manufacturer in February 2016 about this. I can't see any evidence of this from the information Mr F has given us. The email trail with the manufacturer starts in July 2016. This first email relates to collection arrangements of both laptops so it's clear from that there has been some prior communication. So I am persuaded there has been an

ongoing problem from soon after delivery of the laptop which was reported to the manufacturer within six months. After two unsuccessful repairs I think it's reasonable to consider a refund.

I have considered very carefully if it's reasonable to expect Creation to refund the full cost of the laptop as Mr F's daughter did have some use it. However Mr F has now given us proof that he bought a replacement laptop on 1 August 2018. He has been very honest in telling us that this laptop was initially for himself even though the invoice is in his daughter's name. But he has told us when the second attempted repair was unsuccessful his daughter kept the new laptop for her own use.

I am persuaded both by the fact that two repairs were unsuccessful and that Mr F bought a new laptop that a full refund is reasonable. During his complaint Mr F mentioned specific software that he had purchased for his daughter's laptop. However given his daughter did have some use of the laptop I don't feel it's reasonable to expect Creation to cover this cost.

my final decision

My final decision is that I uphold this complaint.

In full and final settlement. Creation Financial Services Limited should refund the cost of the laptop.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 1 April 2019

Bridget Makins
ombudsman