

complaint

Mr F complains about a television he bought which was financed by Creation Financial Services Limited.

background

Mr F bought a television under a Buy Now Pay Later arrangement with Creation in November 2011. Mr F contacted the supplier in September 2013 as it had a fault. He had to pay £95 for the television to be inspected. The inspection revealed that it had a manufacturer's fault.

The television was repaired free of charge and the £95 fee was refunded to Mr F. He would like however to be able to reject the television in light of the fault. Mr F brought a complaint to us to consider.

The first adjudicator who considered the case recommended that the complaint should be upheld. She concluded that it was reasonable for Mr F to buy a replacement television. This was on the basis that he was told initially that he would have to pay for the repairs needed.

The first adjudicator recommended that the contract is ended with no further payments due. The deposit should be returned to Mr F, and the television should be given back to Creation.

Creation was not happy to accept this view. It pointed out that its policy is to charge for an inspection of goods. If a fault is found, the fee is refunded. Creation considered that repair was the best remedy given that the television was two years old when the complaint was made. Mr F did not speak to it before buying a replacement product. Creation did however agree to offer £75 for the trouble and upset caused to Mr F by its delay in responding to his letters.

The second adjudicator considered the case. He recommended that the complaint should be upheld in part. He considered that repair of the television was a suitable remedy when the television was found to be faulty. The adjudicator did not agree that it was appropriate for Mr F to be allowed to reject the television when it had been repaired. The adjudicator considered however that Mr F had received poor customer service. Creation agreed to pay Mr F £75 for this.

Mr F is not happy to accept the adjudicator's recommendation. He says, in summary, that he has the option of rejecting the television when it was found to be faulty. Mr F was not however given this choice before it was repaired.

Mr F is very unhappy at the advice he was given when he complained about the television. He points out that he was told he would have to pay for repairs. Mr F had to write letters of complaint and there were delays in a response. He had to chase for a refund of the inspection fee, and Creation did not fully respond to his letters.

Mr F adds that he is receiving debt collection letters, and is paying for a licence and other linked items for a television that he cannot use. Mr F points out that he bought another television as he knew it would take time to have the unit repaired.

my findings

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

Suppliers of goods should ensure that they are of satisfactory quality when they are sold. It is agreed by both Creation and Mr F that the television had a manufacturer's fault. As such, it was not of satisfactory quality when it was sold to him. Therefore the only remaining issue to address is what the appropriate remedy should be in the circumstances.

Where goods are not fit for purpose, there are a number of remedies that are possible. The legislation says that repair, rejection or replacement may be suitable remedies where goods of unsatisfactory quality are supplied. One of these is rejection, and another is repair.

I note Mr F says that he was not given any choice about what remedy he wanted. This is despite the fact that he was initially told that he would have remedial options discussed with him. This may be the case, but the fact is that the fault has now been repaired. In light of this, I do not find that the option of rejecting the television would be a fair remedy in all the circumstances. In reaching this finding, I am also persuaded by the fact that Mr F was able to use the television for two years before complaining about it.

Mr F would like to reject the television as he bought a replacement model on 2 September 2013. Mr F reported the fault in writing on 3 September. I consider that it would have been reasonable for him to have given Creation some time to look into and repair any fault that may have been present before buying a new television. It appears that he bought a replacement before Creation had responded to his complaint. I am aware that Mr F was told that he would have to pay for repairs verbally. Even so, I consider that he should have given Creation a chance to respond to his written complaint before buying a replacement product.

Creation wrote to Mr F on 1 October 2013. It told him that it would collect the television to allow it to inspect it. There would be a £95 charge for this as it was outside the warranty period. Mr F was told this fee would be refunded if a fault was found to be present. The fee was later refunded.

Creation has agreed to pay Mr F £75 compensation for the fact it took four weeks to reply to his first letter. There were also delays in refunding his inspection fee. I am satisfied that the offer of £75 for the inconvenience caused by the delays is fair, and in line with what this service would have awarded.

I appreciate that Mr F will be very unhappy with my decision. I do not however consider that it would be reasonable for me to find that he should be allowed to reject the television. I now leave it to Mr F to consider the settlement offer made by Creation.

my final decision

My decision is that Creation Financial Services Limited should pay Mr F £75 as it has agreed to do.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 13 January 2015.

Rosemary Lloyd
ombudsman