

## **The complaint**

Mr L has complained that Omni Capital Retail Finance Limited (“Omni Capital”) rejected his claim against it under Section 75 of the Consumer Credit Act 1974 (“the Act”).

## **What happened**

Mr L bought solar panel and battery system (“the system”) for his home in 2019. The purchase was funded by a loan from Omni Capital, and that business is therefore liable for the acts and omissions of the installer under the relevant legislation.

In this case, Mr L alleges that the installer misled him into believing that the system would be self-funding in that:

- The system would pay for itself within 8 years.
- The monthly income and savings from the system would cover the monthly loan repayments.

Omni Capital responded to the claim to say it did not think the system had been misrepresented to Mr L.

Mr L’s complaint about Omni Capital’s response to the claim was considered by one of our investigators. They recommended the complaint should be upheld. But Omni Capital disagreed. It said the documents from the time of sale made it clear that the loan repayments would not be covered by the financial benefits of the system.

As the complaint couldn’t be resolved by our investigator, I’ve been asked to make a decision. I issued a provisional decision explaining that I was not planning to uphold the complaint. This gave Omni Capital and Mr L an opportunity to respond, but neither party provided anything further for me to consider by the given deadline. So, this final decision is in line with my provisional decision.

## **What I’ve decided – and why**

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

In this case the relevant law includes section 56 and section 75 of the Act. Section 75 provides protection for consumers for goods or services bought using credit.

As Mr L paid for the system with a fixed sum loan agreement, Omni Capital agrees that section 75 applies to this transaction. This means that Mr L could claim against Omni Capital, the creditor, for any misrepresentation or breach of contract by the supplier in the same way he could have claimed against the supplier. So, I’ve taken section 75 into account when deciding what is fair in the circumstances of this case.

Section 56 is also relevant. This is because it says that any negotiations between Mr L and the supplier, are deemed to have been conducted by supplier as an agent of Omni Capital.

For the purpose of this decision, I've used the definition of a misrepresentation as an untrue statement of fact or law made by one party (or his agent) to a second party which induces that second party to enter the contract, thereby causing them loss.

Having carefully considered everything provided, I've decided not to uphold this complaint.

I'm satisfied that Mr L was provided with the sales documents – because he signed them. The documents set out the cash price of the system and its expected first-year benefits. This was on a separate page, but since Mr L signed them both I'm satisfied that he saw them.

I think the information is clear and easy to understand. The first-year benefit was just £168, and the basic price of the system was £9,095. Mr L was paying for the system using a loan that was repayable over ten years. So, even without interest the annual repayment would be £909.50 – over five times the first-year benefit.

With this in mind, it seems unlikely that the salesperson would've said the benefits of the system would cover the loan repayments from the start or that the system would've paid for itself within 8 years. There is no evidence to suggest that Mr L questioned what he says he was told despite the contradictory information that was clearly shown on the sales documents. I think this means it is likely that what was on the sales documents did not contradict what he was told before he agreed to purchase the system.

So, on balance, I think the evidence suggests it is unlikely there was a misrepresentation on the part of the supplier.

### **My final decision**

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 30 November 2023.

Phillip Lai-Fang  
**Ombudsman**