

The complaint

Mr W complains about the settlement Clydesdale Financial Services Limited, trading as Barclays Partner Finance ("BPF") offered him when he made a claim under section 75 of the Consumer Credit Act 1974 ("section 75").

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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.

I know it will disappoint Mr W, but I think BPF's offer was reasonable. Please let me explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

When something goes wrong and the payment was made with a fixed sum loan, it might be possible to make a section 75 claim. This section of the Consumer Credit Act (1974) says that in certain circumstances, the borrower under a credit agreement has a like right to claim against the credit provider as against the supplier if there's either a breach of contract or misrepresentation by the supplier.

I'm not determining the outcome of a claim that a party might have under section 75. I take section 75 into account when I think about what's a fair way to resolve the complaint, but I don't have to reach the same view as, for example, a court might reach when considering breach of contract or misrepresentation.

From what I can see, all the necessary criteria for a claim to be made under section 75 have been met.

The cost of the kitchen installation was not covered by the finance agreement. That agreement only covered the cost of the kitchen.

BPF organised an independent inspection by an expert in order to decide whether to uphold Mr W's claim. On the basis of that report, they agreed to reduce the loan balance by the cost of the worktop and the oven housing unit. That equated to £5,205.10. They also explained that a replacement double sink unit was available.

The kitchen cost Mr W a little over £12,500 and I think the settlement offered by BPF was a fair one. It attended to the issues Mr W had raised with them, but not the installation errors that had been highlighted in the independent inspection report.

The service BPF provided when handling Mr W's complaint wasn't acceptable. There's no time limit imposed when handling a section 75 claim, as they can often be complex and there's often a need to gather lots of information. But I think BPF should have been more responsive to Mr W. I can understand that delayed the resolution and Mr W has explained that caused him and his wife significant distress as they had no facilities, and their house was in disarray. BPF offered Mr W £500 compensation for the distress and inconvenience they caused and while I understand Mr W doesn't think that is sufficient, I think it is in line with the award this Service would make in the circumstances. I'm not therefore, asking BPF to pay any more. And, ultimately, I'm not upholding this complaint.

My final decision

For the reasons I've given above, I don't uphold this complaint.

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

Phillip McMahon
Ombudsman