

The complaint

Mr R complains that Vanquis Bank Limited won't refund to him the money that he paid for some accommodation.

What happened

Mr R used his Vanquis Bank credit card in January 2020 to pay £226 to an online booking company for a two night stay in March 2020 in some accommodation. There were some issues with the accommodation so Mr R claimed a refund from Vanquis Bank under section 75 of the Consumer Credit Act 1974 and he then complained to it about some other issues.

It said that the booking company acted solely as an intermediary which broke the debtor-creditor-supplier chain required for a claim under section 75. It said that its section 75 team should have forwarded Mr R's complaint to its customer relations team for it to respond to his other concerns – it apologised for any distress caused by its failure to do that and credited £100 compensation to his account. Mr R wasn't satisfied with its response so complained to this service.

This service considered his complaint about its response to his section 75 claim and his complaint about the other issues separately. His complaint about the other issues has been upheld and Mr R has accepted the decision that Vanquis Bank should pay him a further £50 compensation, though he did make some further comments about his complaints.

Our investigator didn't recommend that his complaint about Vanquis Bank's response to his section 75 claim should be upheld. He didn't think that there was a valid debtor-creditor-supplier relationship in these circumstances so the section 75 criteria hadn't been met and he didn't think that Vanquis Bank had acted unfairly or unreasonably in declining Mr R's section 75 claim.

Mr R has asked for his complaint to be considered by an ombudsman. He says that the only means of contacting the accommodation provider was through the booking company or by using a mobile number supplied by the booking company and that most of the communication was through its messaging app. He says that the booking company was the supplier, agent, main point of contact for communication and managed the relationship on the account between him and the accommodation provider. He says that the finding on the applicability of section 75 is spurious and that section 75 is designed to protect credit card users so online booking agencies shouldn't be able to claim exemption from a section 75 claim.

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.

Having done so, I agree with the conclusions reached by our investigator for these reasons:

- Mr R used his Vanquis credit card to pay for the accommodation and in certain circumstances, section 75 gives a consumer an equal right to claim against the

supplier of goods or services or the provider of credit if there's been a breach of contract or misrepresentation by the supplier;

- one of those circumstances is that there must be a relevant relationship between the debtor, the creditor and the supplier;
- in these circumstances Mr R is the debtor because he's used credit to pay for the accommodation, the creditor is Vanquis Bank because it provided the credit and the supplier is the accommodation provider because it provided the accommodation to Mr R;
- Mr R's payment was made to the booking company (not to the accommodation provider) and the booking company didn't provide the accommodation to Mr R (the accommodation was provided to him by the accommodation provider);
- there's no relevant relationship between Vanquis Bank and the accommodation provider because the credit was used to make a payment to the booking company (not to the accommodation provider) and I don't consider that section 75 applies in these circumstances;
- I sympathise with Mr R for the issues that he had with the accommodation and understand the issues that he has with the applicability of section 75 - but the requirement for a debtor-creditor-supplier relationship is clearly set out in section 75 and it wouldn't be fair or reasonable for me to require Vanquis Bank to accept liability under that section when the required debtor-creditor-supplier relationship isn't present;
- Vanquis Bank says that £100 compensation was credited to Mr R's account in March 2021 and he'll be receiving £50 compensation following the decision on his other complaint; and
- I consider that Vanquis Bank's response to Mr R's section 75 claim has been fair and reasonable in these circumstances and I'm not persuaded that it would be fair or reasonable for me to require it to refund to him the money that he paid for the accommodation, to pay him any further compensation or to take any other action in response to his complaint.

My final decision

My decision is that I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 2 December 2021.

Jarrold Hastings

Ombudsman