

The complaint

Mr B complains that his chargeback claim and section 75 claim was rejected by Tesco personal Finance PLC trading as Tesco Bank.

What happened

Mr B purchased private detective services and paid using his Tesco credit card.

Mr B wasn't happy with the service provided because he didn't receive a report. He asked Tesco to process a chargeback. Tesco said it couldn't do this because the service Mr B had purchased had been provided, albeit that Mr B was happy with the service.

Mr B expected Tesco to consider his claim under section 75 as well. But it didn't, so he brought his complaint to this service.

Our investigator upheld the complaint. He thought that Mr B had a valid section 75 claim because the supplier hadn't provided him with a report, which was part of the service he'd paid for. The investigator said that this was a breach of contract and that Tesco should refund Mr B the fees he had paid to the supplier.

Tesco didn't agree. It said the outcome of the surveillance had been provided to Mr B in a concise format and that for the supplier to create a longer report to pass on the same information would add no value. Tesco said it didn't think it had acted unfairly in rejecting the 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.

In certain circumstances, section 75 gives a consumer a right to claim against the supplier of goods or the provider of credit if there's been a breach of contract or a misrepresentation. In order to uphold this complaint, I would need to be satisfied that there's been a breach of contract or a misrepresentation and that Tesco's response to the claim wasn't fair or reasonable.

Mr B has said that he didn't receive the service he contracted for because he wasn't provided with a report of the surveillance. I've looked at the description of the service on the supplier's website. This states that "our final report will be accompanied by photographic or video evidence."

I've also taken into account what Mr B was told in correspondence by the supplier. The supplier advised Mr B that the service comprised the following:

To place an individual under discreet surveillance

To provide a detailed report of our findings

To provide photographic evidence as required

To provide video evidence as required

I've looked at the information provided to Mr B following the surveillance. He didn't receive a report. Eventually the supplier responded and said "there was nothing to report for the first day – no male contact. Just work".

Mr B doesn't think that this amounts to a report in accordance with the services described on the supplier's website and in correspondence with him. He's also said that he had doubts as to whether the surveillance was carried out at all.

I've thought about whether the supplier provided the service that it contracted with Mr B to provide. Having done so, I'm persuaded that there's been a breach of contract. I don't think the response sent to Mr B by the supplier amounts to the detailed report that he was promised. I appreciate that the supplier may not have had very much to report. However, the service that Mr B paid for was for the supplier to provide a detailed report. This wasn't provided.

I've taken into account what Tesco has said about the report being brief. However, based on what I've seen, Mr B didn't receive a report at all. When Mr B asked the supplier to provide a report it replied that he wouldn't get one because there was nothing to report.

Taking everything into account, I think there's enough evidence to conclude that there has been a breach of contract here. Mr B entered into a contract for surveillance services, the outcome of which were to be provided in a detailed report. The supplier didn't provide this.

Putting things right

I don't think that Tesco's response to the section 75 claim was fair or reasonable. To put things right Tesco should refund Mr B the fees he paid to the supplier.

I can't see that Tesco processed a section 75 claim here, when it should have done so. This has caused further delay for Mr B, which has added to his distress and inconvenience. I'm therefore asking Tesco to pay compensation of £100 to Mr B.

My final decision

My final decision is that I uphold the complaint.

Tesco Personal Finance Plc trading as Tesco Bank must:

Refund the sum of £325 to Mr B

Pay compensation of £100 to Mr B

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 August 2022.

Emma Davy
Ombudsman