

The complaint

Mrs V is unhappy with the way Bank of Scotland plc trading as Halifax (Halifax) responded to a dispute for goods she purchased using her credit card.

What happened

Mrs V purchased a log cabin with gazebo “log cabin” for around £3,000 from an online supplier I’ll call D in March 2024. She said she bought this specifically because it was made using pressure treated wood and came with a ten year guarantee (on the pressure treated wood). The log cabin was delivered in early April 2024 and Mrs V discovered some of it was made with untreated wood.

She said she was unsure if she had made a mistake in thinking the log cabin was arriving treated, so wanted to go through her notes and website to check this. Mrs V did contact D the next day about a separate issue with part of the order – which looks to be resolved. She contacted D a few days later after the weekend and explained she was expecting the whole log cabin to be made from pressure treated wood and directed it to its website which indicated this. It appears D agreed the wording could have been clearer and changed it on the website. Mrs V also made a written complaint explaining that due to the extensive work that she was having in her garden, she didn’t have the time to find an alternative and had no choice to proceed to have the wood treated herself. She said she wanted a refund for paying for the treatment and confirmation the ten year guarantee would still be provided.

D agreed to reimburse Mrs V for the costs in getting the wood treated (around £700). However, said the guarantee only applied to pressure treated wood, which the floor bearers were but the rest of the log cabin was not.

Mrs V then raised a claim under Section 75 of the Consumer Credit Act 1974 (Section 75) with Halifax. Halifax declined the claim, noting she had accepted reimbursement for the wood treatment and said she was offered the option to return the product. It also confirmed the treated wood still didn’t meet the requirements for the guarantee. Mrs V disputed this, saying no return option was offered and she wasn’t told that treating the wood wouldn’t qualify it for the guarantee. As Halifax didn’t change its position after she complained, Mrs V referred the matter to the Financial Ombudsman.

An Investigator reviewed the complaint but didn’t uphold it. She didn’t think a misrepresentation happened or a breach of contract, which would mean Halifax should be held liable under a like claim.

Mrs V didn’t agree, she reiterated the wording on the website was a misrepresentation and the log cabin was not as described and D didn’t inform her that by treating the wood herself meant she wouldn’t be provided with a ten year guarantee, so the case has been passed to me for review.

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'd like to acknowledge that I've provided a summary of the events related to the complaint. This is not intended to be discourteous—it simply reflects the informal nature of our service. I'm required to reach decisions quickly and with minimal formality. However, I want to reassure Mrs V and Halifax that I've carefully reviewed all the information on file. If I haven't commented on a particular point, it's not because I've overlooked it, but because I've focused on what I consider to be the key issues. Our remit allows me to take this approach.

What I need to consider is whether Halifax – as a provider of financial services – has acted fairly and reasonably in the way it handled Mrs V's claim. It's important to note Halifax isn't the supplier and I'm not considering a complaint about D. I've gone on to think about the specific card protections that are available. In situations like this, Halifax can consider assessing a claim under Section 75 or raising a chargeback.

Section 75

Under Section 75, Halifax is jointly liable for any breaches of contract or misrepresentations made by the supplier of goods or services – which D is in this case. In order for there to be a valid claim under Section 75, there needs to be a debtor-creditor-supplier ('DCS') agreement in place and the transaction needs to be within certain financial limits. I'm satisfied the criteria has been met for a claim to be considered.

The Consumer Rights Act 2015 (CRA) is also relevant to this complaint. The CRA implies terms into the contract that goods supplied will be as described. The CRA also sets out what remedies are available to consumers if statutory rights under a goods (or services) contract are not met.

Misrepresentation

In order to consider if a misrepresentation occurred, I have to consider if a false statement of fact was made, which induced Mrs V into buying the log cabin. Mrs V has provided screenshots of D's website which show in the product information section, the wording changed from "crafted with high-quality, pressure-treated timber for functionality, durability, and elegance." to "crafted with high-quality, slow grown spruce for functionality, durability and elegance." So, I think there is an argument to say the wording could be misleading. However, I also have to consider if this false statement induced Mrs V into buying the log cabin.

I've thought about Mrs V's actions when she found out that not all the wood was pressure treated. As part of Mrs V's complaint to D, she mentioned in her summary that she chose the log cabin because of the additional benefits of the ten year guarantee on pressure treated wood. However, she also mentioned that when the log cabin was delivered she was unsure if she was possibly mistaken in thinking the whole log cabin was being delivered as treated. So, although I can see that it was important to her, Mrs V's testimony suggests that she herself was unsure if she had bought the log cabin on the basis that it was all pressure treated wood. So, I can't be certain that the wording she later referred to, induced her into buying the log cabin.

That said, I know Mrs V was doing work in her garden and had builders in, but if pressure treated wood was critical for her reason in buying, I think it's likely she would have sought to return the log cabin and get a refund. However, Mrs V chose not to. Even if there was a misrepresentation, the usual remedy is to put her back in the position she was in before—so returning the log cabin—not to try and make the false statement true. In which case she would have to return the log cabin, which I believe was not the intention for Mrs V.

I've also noted that Mrs V acted quickly to get a quote about treatment of the wood. The information she has sent shows this happened the day after delivery. So, although D may not have given the option for a refund when she called it, I think Mrs V intended to accept the log cabin and took action to treat the wood herself. In her complaint, she asked D to cover the cost of treatment and confirmation the guarantee was still in place, not for a refund.

Mrs V didn't wait before treating the wood to ensure the ten year guarantee would also be provided along with the reimbursement for the wood treatment. Although I appreciate Mrs V feels strongly, and feels D stayed silent on this, I can't say that D misrepresented the guarantee – this was specifically for pressure treated wood and she still had the benefit of this for the floor bearers. And given that Mrs V said she bought the log cabin on the basis that the website described it as being built with pressure treated wood, I think it's reasonable that she would have waited for D to confirm if the guarantee applied to the whole cabin, before going ahead with the treatment. However, she chose to go ahead without getting an answer from D on this point.

Based on the evidence, I'm not persuaded there was a misrepresentation which induced Mrs V into buying the log cabin which Halifax should be held responsible for.

Breach of contract

I've also thought about what recourse Mrs V may have had because the log cabin was not as described which would mean there was a breach of contract. D agreed the website wasn't totally clear under the product information and changed it when Mrs V contacted it. So, it appears that there was a problem with the wording. However, I can see under the key features it states that only the floor bearers were pressure treated, which appears to be correct and has the ten year guarantee, which D has confirmed Mrs V still has the benefit of in its response to Mrs V's complaint.

I agree D should have given Mrs V a definitive answer on the guarantee. Although I can see that Mrs V and D had dialogue about separate issues and D was quick to respond to try resolve the issues Mrs V experienced. However, Mrs V chose to carry out the wood treatment, but she could have requested a refund and returned the goods within the delivery period as per D's terms and conditions or waited for an answer on the guarantee before she continued. But as explained above I'm not persuaded that this is what Mrs V wanted. Even if I were to accept a breach of contract happened, D agreed to reimburse Mrs V the cost for getting the wood treatment, which it seemed to do to resolve Mrs V's complaint. And Mrs V still has the benefit of the ten year guarantee for the parts of the log cabin which are pressure treated. I think she has benefited from the reimbursement of the wood treatment, as I can see from the website – this is recommended by D and the log cabin has had a wood treatment at no cost to Mrs V.

Additionally, as a financial services provider I can't make Halifax provide Mrs V with a guarantee for the whole log cabin. Also, Mrs V hasn't provided a value for what's she's lost out on. So overall I don't think it's fair to ask Halifax to pay Mrs V any further funds for the provision of a guarantee or to increase the reimbursement Mrs V has already been paid.

Chargeback

Halifax as the card issuer also had the option to raise a dispute through the chargeback scheme. There is no requirement for Halifax to raise a chargeback, but it is often good practice to do so. However, a chargeback isn't guaranteed to succeed and is governed by

the limitations of the particular card scheme rules (in this case Mastercard). I've considered the relevant chargeback rules in deciding whether Halifax acted fairly.

The most relevant rule in this case would be under the reason code "Goods or services were either not as described or defective". However, this option would only allow Halifax to request a refund if the goods were returned or made available for return. Taking all this into account, even if there may have been grounds to raise a chargeback, I think there would've been a valid defence as the goods were not in the original condition after the wood treatment was done and it doesn't appear Mrs V was going to return the goods due to the time constraints she had with her building works. Additionally D reimbursed Mrs V for the wood treatment she instructed. I'm not persuaded that Halifax acted unfairly by not raising a chargeback. I think based on the information provided, it's unlikely a chargeback had reasonable prospect of success.

I'm sorry that Mrs V didn't get the log cabin she expected. However, I think Halifax's response to the Section 75 claim is fair and I don't think it acted unreasonably because it didn't raise a chargeback.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V to accept or reject my decision before 17 June 2025.

Amina Rashid
Ombudsman