

## **The complaint**

Mr L has complained about the way Bank of Scotland plc trading as Halifax (Halifax) handled a claim he'd made in relation to a mirror he bought using his Halifax credit card.

## **What happened**

Mr L bought an LED Mirror for around £102 from an online supplier I'll call P, using his Halifax credit card in May 2016. The mirror came with a ten year warranty, which guaranteed certain parts of the mirror.

In September 2024 Mr L contacted P as the mirror's glass cracked and asked for a replacement under the warranty. Mr L said P initially told him the warranty wasn't in place but after he showed it a historic page of its website, P said the warranty didn't apply after installation and didn't cover the mirror glass.

Unhappy with P's response Mr L raised a claim with Halifax. He explained the mirror glass cracked whilst it was being cleaned and there was no excessive force. Halifax didn't raise a chargeback claim as Mr L contacted it outside the timeframes allowed. Instead, it considered a claim under Section 75 of the Consumer Credit Act 1974 (Section 75). Halifax declined the claim as it didn't consider there was a breach of contract.

Mr L complained about Halifax's position on the claim, however Halifax maintained that it assessed the claim based on the information it had and didn't agree it was liable for refunding Mr L the cost of the mirror.

Mr L referred his complaint to the Financial Ombudsman. An Investigator reviewed the complaint but didn't uphold it. She didn't think Halifax's answer was unfair. She explained she didn't think there was enough information to support there was breach of contract or misrepresentation under Section 75, which Halifax could be held jointly liable for.

Mr L didn't agree and said he didn't say the damage was caused by wear and tear or abrasive cleaning products, which is mentioned in the guarantee. He stated the supplier didn't say the damage was caused by this either. Mr L also said that he felt the guarantee should cover manufacturing defects which likely caused the crack.

As the matter was unresolved, the complaint has been passed to me to 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.

Where evidence is incomplete, inconsistent or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

It's clear Mr L feels strongly about this matter, and I mean no discourtesy where I haven't commented on each individual point he has raised. I've focused on what I consider are the key elements of the complaint. I'm not considering a complaint about P, but rather I am looking at Halifax as the financial services provider and considering if Halifax has acted fairly and reasonably in the way it handled Mr L's request for getting the mirror replaced or getting his money back.

## **Section 75**

I take into account the relevant law. Under Section 75, Halifax is jointly liable for any breaches of contract or misrepresentations made by the supplier of goods or services – which is P in this case. In order for there to be a valid claim under Section 75, there needed to be a debtor-creditor-supplier ('DCS') agreement in place and the financial limits have been met for a valid claim. I'm satisfied the criteria has been met.

I'm aware that the law imposes a six-year time limit for bringing relevant claims. However, based on the conclusions I expect to reach, I won't be conducting an in-depth analysis of how this affects Mr L's complaint. I believe a broader approach is appropriate to address his concerns as a whole, although I will still take into the Limitation Act 1980 into account.

It's important to note I'm not considering a complaint against P. I'm considering a complaint against Halifax. So, I have to consider Halifax's obligations as a provider of financial services – in this case its liability for breach of contract or misrepresentation under Section 75.

For a claim to be upheld under Section 75, there needs to have been a breach of contract or misrepresentation. I have nothing to suggest that the mirror was misrepresented to Mr L when he bought it, so I've focused on whether Mr L provided enough evidence to show there had been a breach of contract, which meant the mirror wasn't of satisfactory quality.

### *Implied terms*

The Consumer Rights Act 2015 (CRA) also is relevant, and I've taken this into consideration when deciding this case. The CRA implies terms into the contract that goods supplied will be of satisfactory quality. The CRA also sets out what remedies are available to consumers if statutory rights under a goods contract are not met.

I'm conscious the Mr L bought the mirror in 2016, around eight years before he put in his claim. So, it's not clear he'd be able to bring a claim about the quality of it.

In any event, the CRA sets out that goods which do not conform to the contract at any time within the period of six months beginning with the day on which the goods were delivered to the consumer must be taken not to have conformed to it on that day unless it's established the goods did conform to the contract on that day or that the application is incompatible with the nature of the goods or with how they fail to conform to the contract.

I've considered the evidence Mr L gave to Halifax as part of this claim. These don't confirm a fault or when this happened or that the mirror wasn't durable. Since Mr L hasn't provided any evidence about the nature or likely cause of the fault, beyond his testimony, I don't think Halifax could properly assess whether the mirror was of satisfactory quality when Mr L bought it. However, I have also noted that Mr L raised a claim more than eight years after purchase. I think it's likely that if there was a manufacturing defect, an inherent fault or the mirror wasn't durable its likely this would have been evident sooner than when the damage happened. I don't think Halifax was unfair not to uphold the claim on the basis of a breach of an implied term of the contract.

### *Express terms*

Mr L has referred to the warranty P offered and said that the mirror glass isn't excluded. However, from the evidence provided, I can't see that this covers the damage Mr L has claimed for. Additionally, I don't think Mr L has provided sufficient evidence to demonstrate that there was a breach of contract because P didn't provide him cover under the warranty. Without sufficient evidence to demonstrate the mirror wasn't of satisfactory quality or that P didn't cover a valid claim under the warranty and therefore there was a breach of contract, I'm not persuaded that Halifax dealt with Mr L's claim unfairly. That's not to say something definitely hasn't gone wrong, but that I don't think Halifax acted unfairly based on the limited information presented.

### **Chargeback**

Chargeback is based on the relevant card scheme rules, where a card issuer can ask for a refund on behalf of the cardholder. In this case it's the Mastercard scheme. A chargeback is not guaranteed to succeed, and a card issuer does not have to raise one.

However, it would be considered good practice to raise a chargeback where there is a reasonable prospect of success. This is on the basis that the chargeback claim meets the scheme's criteria. Although not all circumstances where something has gone wrong with the merchant will mean the claim is successful. Halifax didn't raise a chargeback, its notes show it thought the claim was raised out of the time limits allowed. I've considered whether or not Halifax acted unfairly by not raising a chargeback.

The most relevant condition in this case would be "Goods or Services Were Either Not as Described or Defective". There are strict timeframes set by the scheme which need to be adhered to for a chargeback to be successful. For transactions where the goods are defective, the dispute must be processed no later than 120 days from the transaction date. However, as Mr L contacted Halifax more than 120 days from when he bought the mirror, I don't think it acted unfairly by not raising a chargeback. Even if the claim had been brought in time. I'm not persuaded there was sufficient evidence which would have likely led to a successful claim.

Therefore, while I know it'll disappoint Mr L, I'm not going to direct Halifax to refund him any money or arrange a replacement.

### **My final decision**

My final decision is that I don't 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 7 July 2025.

Amina Rashid  
**Ombudsman**