

The complaint

Mr J complains that Barclays Bank UK PLC has not resolved his claim under section 75 of the Consumer Credit Act 1974 ("section 75") to his satisfaction. The bank trades in this case under its Tesco Bank brand.

What happened

In March 2024 Mr J bought two e-bikes from a well-known retailer, which I'll call "H", along with puncture protection for each. The total cost after discounts was £2,808.20. Mr J paid £308.20 using his Tesco Bank credit card, and the rest using a gift voucher. Mr J collected the bikes at the end of March.

In or around September 2024 Mr J contacted H. He said that he had identified that what he called a chain protector had not been fitted to one of the bikes. As a result, the chain had rubbed on the frame, causing damage to the paintwork. H offered to look at the damage with a view to carrying out a repair, but was not prepared to offer a replacement bike, as Mr J had requested.

Because part of the price of the bike had been paid with its credit card, Mr J referred the matter to Tesco Bank. The bank said that it was too late to submit a chargeback request, as more than 120 days had passed since the payment. And it did not believe that Mr J had a valid claim under section 75, not least because H had offered a repair.

Mr J referred the matter to this service. Our investigator thought that he did have a valid claim and that Tesco Bank ought to arrange a repair and pay Mr J a further £150 in recognition of the inconvenience to which he had been put.

The bank responded to say that it was not in a position to arrange a repair, but it said it thought a price reduction would be fair and offered £600 – that is, £750 in total to resolve matters. Mr J made counter offers, but no agreement was reached between him and the bank. The investigator thought that Tesco Bank's offer was reasonable and recommended that Mr J accept it. He did not agree, however, and so the case was 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.

As the investigator noted, Mr J did not raise any issue until nearly six months after he bought the bike. Tesco Bank could not therefore successfully raise a chargeback in this case. But it did rightly consider whether Mr J might have a claim under section 75.

One effect of section 75 is that, subject to certain conditions, an individual who uses a credit card to pay for goods or services and who has a claim for breach of contract or misrepresentation against the supplier of those goods or services has a like claim against the credit card provider.

In this case, most of Mr J's purchase in March 2024 was funded by a gift card. And the amount spent on the gift card exceeded the price of the bike which he says is defective. H's invoice does not, however, attribute the two payment methods to any particular items, and in the circumstances it would not be fair, in my view, to conclude that his bike was not paid for in part using the credit card. It follows that the conditions for section 75 to apply were met and that I need to consider Mr J's dealing with H.

H did not just supply the bike to Mr J. It is likely that it came part assembled and that H would have completed the assembly and carried out safety checks before Mr J took delivery. That's what I would usually expect from a cycle shop. Mr J says that the bike works as it should. The issue he has is that H did not fit a chain stay protector which was supplied with the bike.

Mr J referred to the missing part as a chain protector. In fact, the component that was not fitted was a chain stay protector. That is a strip of (often) self-adhesive rubber, vinyl or neoprene which is attached to the stay on the drive side of the bike to provide a protective layer between the chain and the paintwork. They're not always fitted, and can be added very simply (without tools) and replaced very cheaply. I mention that because it gives some context to Mr J's underlying claim, which is that, by not fitting a chain stay protector, H was in breach of its contract with him.

H says that it was not aware a protector was provided. Its own brand bikes do come with them, but some people prefer not to fit them. In the circumstances, I can see why Mr J might think that one should have been fitted – or that he should have been given the option.

As I have said, retro-fitting a chain stay protector is a simple and cheap job. But, Mr J says, the consequence of not having one fitted is that his frame's paintwork has a number of scuffs and chips. He has provided some photographic evidence of damage to his paintwork. Repairing that is a much more complex and expensive undertaking than fitting a protector.

I am not however persuaded that the chips, scratches and scuffs on the bike's frame would have been avoided if a chain stay protector had been fitted. Stones and chips would still cause some damage over time, and indeed some such damage is apparent on the photograph Mr J has provided. That is, there are chips in the paint on the non-drive side of the bike (where no protector would be fitted in any event). They are consistent with wear and tear (especially if the bike has been used off road, for which Mr J's bike is designed) and are expressly excluded from any guarantee.

It is not for me to say whether H was in breach of contract, or indeed whether Mr J has a valid claim under section 75. What I must do is decide on a fair resolution of his complaint about Tesco Bank.

In my view, the bank's offer to refund Mr J £600 and to pay him £150 in recognition of the inconvenience to which he has been put is reasonable in the circumstances, and I do not believe it needs to do any more to put things right. I will however make a formal award, so that Mr J can enforce it, should he need to do so.

My final decision

For these reasons, my final decision is that, to resolve Mr J's complaint in full, Barclays Bank UK PLC should pay him £600 with a further £150 in recognition of the inconvenience to which he has been put.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 11 August 2025.

Mike Ingram

Ombudsman