

The complaint

Mr G complains that Jaja Finance Limited, trading as Asda Money, won't pay to him the compensation that he's claimed as a result of issues with the fitting of a towbar to his car.

What happened

Mr G used credit provided by Asda Money to pay a total of £595 to a supplier for it to fit a towbar to his car in March 2024. There were issues with the fitting and Mr G made a claim to Asda Money under section 75 of the Consumer Credit Act 1974. There was a delay in Asda Money responding to that claim so Mr G complained to Asda Money. It upheld his complaint in September 2024 and said that it had escalated his claim. It also credited Mr G's account with £65 for the inconvenience caused.

Mr G complained to this service in November 2024 and Asda Money offered to settle his claim in December 2024 by paying him £1,849.95. Mr G didn't accept that offer and his complaint was looked at by one of this service's investigators. The investigator said that he understood that the offer of settlement from the supplier to Asda Money was to refund Mr G the repair cost that the supplier's attachment of the towbar caused to his car and it had done that by offering to pay £1,849.95 for the repair. He said that he thought that that was a fair outcome.

Mr G said that Asda Money had offered to pay for a repair to the car's body control module and the cost of the initial towbar install but he's also left with the car's bumper sticking out on one side due to the supplier breaking the integral bumper fixings causing it not to locate properly. Having considered everything, the investigator then recommended that Mr G's complaint should be upheld and that Asda Money should arrange and pay for the repair to the bumper, in addition to the other steps that it had said that it would take to resolve Mr G's claim. Asda Money didn't provide a substantive response to the investigator's recommendation so I've been asked to issue a decision on this complaint.

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 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. To be able to uphold Mr G's complaint about Asda Money, I must be satisfied that there's been a breach of contract or misrepresentation by the supplier and that Asda Money's response to his claim under section 75 wasn't fair or reasonable (but I'm not determining the outcome of Mr G's claim under section 75 as only a court would be able to do that).

Asda Money has offered to pay £1,849.95 to Mr G. That comprises the replacement cost of the body control module of £1,254.95 and the £595 that Mr G paid to the supplier. Mr G has also provided evidence to show that the bumper of the car has been damaged by the supplier and he's provided a quote of £1,159.20 for the repairs to the bumper.

There doesn't seem to be any dispute that the fitting of the towbar caused damage to the car's body control module and Mr G has provided evidence of the damage caused to the bumper. I consider that to have been a breach of contract by the supplier for which Asda Money would be liable under section 75. The towbar has been removed and Asda Money has offered to refund to Mr G the cost of the towbar fitting and to pay for the repair to the body control module. I find that it would also be fair and reasonable for it to pay for the repair to the car's bumper.

When Mr G complained to Asda Money about its delay in responding to his claim, it said that it had escalated his claim and it also credited £65 to his account for the inconvenience caused. I consider that to have been a fair and reasonable response to his complaint at that time. It then offered to pay £1,849.95 to Mr G but I don't consider that offer to have been fair and reasonable as I consider that it would also have been fair and reasonable for it have offered to arrange and pay for the car's bumper to be repaired.

Putting things right

I find that it would be fair and reasonable in these circumstances for Asda Money to pay to Mr G the £1,849.95 that it has offered to him and also to arrange and pay for the car's bumper to be repaired.

My final decision

My decision is that I uphold Mr G's complaint and order Jaja Finance Limited, trading as Asda Money, to:

1. Pay to Mr G the £1,849.95 that it has offered to pay him.
2. Arrange and pay for the car's bumper to be repaired.

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

Jarrold Hastings
Ombudsman