

The complaint

Mrs J complains that Shawbrook Bank Limited (“Shawbrook”) didn’t treat her fairly in relation to a claim she made under Section 75 of the Consumer Credit Act 1974 (“CCA”), lent to her irresponsibly, and participated in an unfair credit relationship with her within the meaning of Section 140A of the CCA.

What happened

I issued a decision on whether the Financial Ombudsman Service had the jurisdiction (power) to consider Mrs J’s complaint, on 12 August 2025. I had previously sent a provisional decision which set out my preliminary findings on both the matter of our jurisdiction, and on the merits of the parts of the complaint I considered we had the power to consider.

In my decision about our jurisdiction, I decided that the Financial Ombudsman Service could only consider Mrs J’s complaint that Shawbrook failed to honour a claim from her under Section 75 of the CCA. I had, in my provisional decision, found that the bank had not behaved unfairly or unreasonably in doing so. I’ll summarise why below, but first it would be useful to outline briefly the background to Mrs J’s complaint.

- Mrs J had bought a timeshare in September 2013 from a timeshare provider (the “Supplier”), for £15,439. She had financed the purchase with a loan from Shawbrook, which had been arranged for her by the Supplier.
- Mrs J complained to Shawbrook in May 2021 that the Supplier had engaged in various kinds of what could be described as mis-selling when it had sold her the timeshare. This included misrepresentations made to her by the Supplier.

Mrs J framed her complaint as a claim made under Section 140A of the CCA – which I decided we don’t have the jurisdiction to consider. However, Mrs J’s complaints of misrepresentation by the Supplier could also have been interpreted as a claim against Shawbrook under Section 75 of the CCA, which I decided we did have the jurisdiction to consider.

In my provisional decision I explained that Section 75 of the CCA gives a borrower who has paid for goods or services with certain kinds of credit (such as the loan with Shawbrook), the right to make a “like claim” against the creditor in respect of any breach of contract or misrepresentation on the part of the supplier of the goods or services.

I noted that it would be reasonable for a creditor such as Shawbrook to reject a Section 75 claim if it had first been informed about the claim after it had become time-barred under the Limitation Act 1980 (“LA”). It wouldn’t be fair to expect a creditor to have to look into a claim so long after a limitation defence would have been available in court.

I noted that Mrs J had first informed Shawbrook of her concerns in May 2021, which was between seven and eight years after the alleged misrepresentations had taken place and caused her to buy the timeshare from the Supplier.

I considered the relevant limitation periods (time limits) within the LA, and observed that these gave Mrs J six years from when she'd bought the timeshare as a result of the Supplier's alleged misrepresentations, to bring a claim.

I concluded Mrs J's claim had been brought outside of the relevant limitation periods, meaning the Supplier would have had a defence to it. Because the Section 75 claim was a "like claim", Shawbrook would have been entitled to rely on the same defence as the Supplier, and so in the circumstances it wasn't unfair or unreasonable of Shawbrook to have declined Mrs J's 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.

Since issuing my provisional decision, and my decision on our jurisdiction, I have not received any further substantive submissions from either party on the matter of the Section 75 claim. Mrs J has reiterated that the Supplier made false advertisements and misrepresentations, but did not comment on the effect of the LA on her claim and complaint.

I remain of the view, and for the same reasons I gave in my provisional decision and as outlined above, that it wasn't unreasonable of Shawbrook to decline any Section 75 claim from Mrs J in relation to the Supplier's alleged misrepresentations.

This is because of the expiry of the relevant limitation periods by the time Mrs J notified Shawbrook of her concerns. In other words, the claim was simply made later than the law allows.

My final decision

For the reasons explained above, I do not uphold Mrs J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 19 September 2025.

Will Culley
Ombudsman