

The complaint

Mr W is unhappy that Barclays Bank UK PLC trading as “Barclaycard” rejected a claim he made to it under s.75 of the Consumer Credit Act 1974 (CCA).

What happened

In February 2021, Mr W had spray foam insulation installed by a company I’ll call ‘K’. Mr W initially paid a deposit of £895 on his Barclaycard credit card towards the total cost which was £4,475.

In early 2025 Mr W has explained that a contractor visited his property with a view to carrying out work in his loft space. Mr W says the contractor alerted him to issues with spray foam. In particular that mortgage providers would be extremely reluctant to lend funds and that it would be a hindrance to a potential buyer. Mr W carried out his own further research and based on this arranged for the spray foam to be removed at a cost of £11,000.

During the removal Mr W says he was made aware he could raise a s.75 claim. He therefore contacted Barclaycard to try and recover the £4,475 he paid for the installation. Mr W has explained that based on the advice he was given from Barclaycard, he included the £11,000 removal costs in his claim.

Barclaycard responded and said so it could fully assess the claim, it needed some further information. Mr W replied and expressed his dissatisfaction with the recent request for further information letter he’d received. Mr W advised he had been considering an Equity Release, but no providers would accept an application when spray foam is present in the property.

On 16 April 2025 Barclaycard issued its final response. In this Barclaycard said it needed evidence there had been a breach of contract or misrepresentation. It explained Mr W could still provide what had been requested. Barclaycard added that upon receipt of this, it would review if any redress was due.

Unhappy with Barclaycard’s response, Mr W referred his complaint to the Financial Ombudsman Service. One of our investigators considered the complaint and didn’t uphold it. The investigator acknowledged the evidence Mr W had provided regarding some businesses not lending where spray foam is present but said this doesn’t mean Mr W categorically won’t be able to obtain an Equity Release on his property. They also said that every lender has its own criteria and no evidence had been provided that Mr W had been declined on the basis that his property had spray foam installed.

Mr W didn’t agree and said he had provided evidence that spray foam is a major issue for mortgage companies. He added that K were no longer trading and that the firm that had removed the spray foam indicated that spray foam was damaging to properties on a number of grounds. The investigator responded and explained that K no longer trading doesn’t evidence a breach of contract or misrepresentation occurred. They added that with s.75 claims the onus is on the consumer to provide evidence.

As Mr W didn’t agree, the complaint has been passed to me to decide.

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 would also like to point out I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Given the time that had passed from when the sale occurred and the additional costs Mr W claimed for, I'm satisfied reviewing things under s.75 was the correct thing for Barclaycard to do. S.75 of the CCA allows, in limited circumstances, someone buying goods and/or services on credit to claim for a breach of contract or a misrepresentation against their credit provider when there is a like claim against the supplier.

In this case, Mr W paid an £895 deposit on his Barclaycard credit card. I'm satisfied the required conditions for a valid claim to have been raised under s.75 have been met here. Therefore, Barclaycard is equally liable for any misrepresentation or breach of contract by the firm that installed the spray foam.

Mr W's s.75 claim and subsequent complaint was centred on the basis that K failed to advise about the consequences of spray foam. Specifically, that none of the major mortgage lenders would entertain lending against a property that had spray foam present.

I'm not persuaded here that at the time of the spray foam sale Mr W was actively considering an Equity Release or possible sale of his property. I say this because the sale occurred in early 2021. It wasn't until early 2025 that Mr W raised his concerns. These appear to have only been raised following a contractor attending his property to carry out separate work in his loft. Had the option of an Equity Release or property sale been an active consideration in 2021, then I think Mr W would've likely raised things sooner and before the contractor made comment.

I appreciate that some businesses current lending criteria may be against spray foam insulation. Mr W has provided an article from November 2024 to support this. But I've seen no evidence that all lenders would be against mortgage lending at the time of Mr W's sale, or that at that time in early 2021 there was common knowledge within the spray foam industry (or from experts within that industry) of a risk mortgage applications would be declined solely because of spray foam being present.

I understand Mr W has said he made no progress with an Equity Release because of the spray foam, so had to remove it. This was however around four years after the sale. Every lender will have their own criteria, which can change over time. I've not seen evidence that every lender will decline an application due to spray foam.

On balance, I don't believe potential mortgage applications was something that was discussed at the time of sale. But even if it was, I'm satisfied K wouldn't have been reasonably aware at that time that there may be possible problems in accessing finance in the future because of the installation. So, it follows that at the time of Mr W's sale I don't believe K had to disclose that spray foam being installed may impact future mortgage applications.

I note that in response to the investigators view Mr W said that the company that removed the spray foam indicated that it was damaging for properties. Mr W hasn't provided evidence that his particular installation of spray foam damaged his property or that it was installed incorrectly. I can see that Barclaycard asked for evidence, such as a report, but didn't receive anything further. Based on this Barclaycard's decision to decline Mr W's s.75 claim was reasonable.

Mr W has said that it was Barclaycard that encouraged him to include the cost of the removal as part of his claim and advised he had a strong case. I've therefore listened to the

call Mr W made to Barclaycard when raising his dispute against K. The advisor said Mr W might be able add the removal costs as a 'consequential loss' as part of his claim.

If there was sufficient evidence here to show a breach of contract or misrepresentation, then that removal cost may have been something Mr W would've been entitled to. So, I don't agree that Barclaycard did anything wrong in advising Mr W that he could include the removal cost in his claim. I also don't believe Barclaycard led Mr W to believe his claim would be successful. The advisor mentioned several times that the claim needed to 'qualify' first, and that it would be considered once the dispute form was received back.

My final decision

I don't uphold Mr W's complaint against Barclays Bank UK PLC trading as Barclaycard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 March 2026.

Paul Blower
Ombudsman