

## The complaint

Mr A complains that Vanquis Bank Limited didn't properly pursue his chargeback claim and rejected a claim under section 75 Consumer Credit Act 1974 ("s.75").

## What happened

In July 2024 Mr A had his car serviced at a cost of £126.22. He paid for this using his Vanquis credit card. Mr A says that the garage changed the oil using specialist oil without his consent and that a major fault was identified by another mechanic less than 24 hours later. He says this, and other minor issues, had not been reported by the garage. He also says he was not given a full service schedule of the work carried out and he is concerned that no work was done by the garage.

Mr A emailed the garage on 4 July raising his concerns. It responded on 8 July confirming what was done and it asked for information about the alleged subsequent faults. I gather Mr A was unable to open the attachment with that email. It also offered to inspect the car. I understand Mr A decided not to take up the garage's offer or to provide details of the undetected major fault. He then contacted Vanquis.

It reviewed the claim and evidence supplied by Mr A and decided there was no basis for a refund. It noted the garage had offered to inspect the car and had asked for details of the alleged failings by its mechanics. Vanquis felt this was a reasonable offer. It also said that Mr A had not provided an independent report in support of his claim. However, it accepted there were delays in its handling of the claim and it had sent a letter with the wrong name and address. It apologised and offered Mr A compensation of £75.

Mr A bought a complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. She didn't consider Vanquis was wrong to decline to pursue a chargeback. Nor did she think Mr A had provided Vanquis with sufficient evidence that would allow a claim under s. 75. However, she considered Vanquis had provided a poor service in its handling of Mr A's claim and subsequent complaint. She believed the compensation of £75 offered by Vanquis was fair.

Mr A didn't agree and has submitted photographs, call recordings and a letter regarding the state of the car after the service.

## 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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any courtesy by this – it just reflects the informal nature of our service. I also want to assure

Mr A that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

My role is to consider if Vanquis acted fairly in its handling of the complaint using the information it had been given. Mr A has provided more material to this service than he did to Vanquis, but I do not consider this would have changed the outcome of his claim.

After due consideration I do not consider I can uphold his complaint. I will explain why.

Mr A had two routes available to him to recover his money, either a chargeback or a claim under s.75.

#### Chargeback

Chargeback is a voluntary scheme run by the card scheme operator to process settlement disputes between the card issuer (such as Vanquis) – on behalf of the cardholder (Mr A) – and the merchant (here it's the garage Mr A made the payment to). It is not a legal right that the cardholder has.

The scheme operator sets the chargeback rules and time limits for transactions made using the card scheme. And it is the scheme operator that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder's behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn't necessarily expect it to raise a chargeback.

As our investigator has explained the chargeback rules state that the consumer must have attempted to resolve the dispute with the merchant first. The garage offered to inspect the car and to write off the cost of the specialist oil used. Although Mr A did engage the garage, he did not take up its offer which makes a chargeback less likely to succeed. Also, a chargeback would only cover the unused part of the service, but this has not been established by Mr A.

It is clear that the garage would have disputed any chargeback made and the evidence supplied by Mr A was limited. I believe a chargeback had little or no chance of delivering what Mr A was seeking. As such I think it was reasonable of Vanquis not to have pursued a chargeback.

#### S.75 Claim

This legislation offers protection to customers who use certain types of credit to make purchases of goods or services. Under s. 75 the consumer has an equal right to claim against the provider of the credit or the retailer providing the goods or services, if there has been a misrepresentation or breach of contract on the supplier's part. For s. 75 to apply, the law effectively says that there has to be a

- Debtor-creditor-supplier agreement and
- A clear breach of contract or misrepresentation by the supplier.

Our role isn't to say if there has been a breach of contract or a misrepresentation for a valid claim under s. 75 but to consider if Monzo has come to a fair outcome based on the evidence they were provided. I am satisfied the required agreement is in place and so I must consider if there has been a breach of contract or misrepresentation.

Mr A has not supplied details of the contract he entered into, so it is difficult to say whether the garage breached that contract. However, I have presumed that the broad agreement was that it carry out a service. He says it didn't carry out the work to the standard he expected and charged him for unauthorised work. However, I cannot say I have seen sufficient evidence to allow me to agree with him. He says the work wasn't done as agreed or perhaps not at all, but I do not think this has been clearly established. The garage disputes Mr A's claims and it was prepared to inspect the car, but it wasn't given that opportunity.

I have noted the letter he has submitted which is dated 10 November 2025 long after he made a claim to Vanquis. This addresses the state of the car after the service. The letter is not on headed paper and I have been given no details of the background of the author. So even if it had been given to Vanquis I doubt if it would have resulted in a different outcome. It is not what could be regarded as an independent expert report.

I have also reviewed the photographs of the car and the brakes, but these do not provide much assistance. They do not establish any breach of contract or misrepresentation by the garage.

Mr A has asked Vanquis to pay him his costs and so the onus is on him to make the case for his claim. The bank is not obliged to pay out unless it is given sufficient evidence in support of the claim and I do not think it was wrong to reach the conclusion it did. Mr A had the opportunity to have the matter resolved by the garage, but chose not to do so.

I agree that Vanquis' handling of the claim was poor. It took too long and I have noted Mr A's frustration in the calls he made to the bank. It also included the wrong name and address on a letter sent to him. For this I think Mr A is entitled to compensation and I agree that £75 is fair and reasonable. I leave it to Mr A to decide if he wishes to accept this sum if he has not already done so.

### **My final decision**

My final decision is that I do not uphold this complaint and leave it to Mr A to decide if he wishes to accept the offer of £75 if this has not already been paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 December 2025.

Ivor Graham  
**Ombudsman**