

The complaint

Mr W complains that Sainsbury's Bank Plc hasn't refunded him following a claim he made under section 75 of the Consumer Credit Act 1974 ("section 75").

What happened

In early 2022, Mr W instructed a company (who I'll refer to as "S") to complete work to his home. This work consisted of replacing all the flooring and completely refitting a new kitchen and bathroom. Before the work began, Mr W made an insurance claim for damage to his bathroom for water damage (and which prompted him to then have the whole bathroom refitted by S). S provided a quote to the insurer for putting right the damage to the bathroom but this only covered a proportion of the overall work Mr W had asked S to complete in the bathroom. This was because a complete bathroom refit wasn't necessary to fix the problem.

After the work had been completed in his home, Mr W contacted S to say there were a number of issues with the work. This included (but not limited to) tiling in the kitchen and bathroom, a leak to the radiator in the bathroom, damage to the kitchen sink, damage to the basin in the bathroom and damage to the shower.

S agreed to put right the issues Mr W had notified it about. It didn't agree it was responsible for the problems with the sink, basin and shower, but nevertheless agreed to put things right. Mr W and S agreed that a new basin and more premium shower would be fitted as replacements in lieu of the kitchen sink being replaced. S also agreed to resolve the tiling problems in the kitchen and bathroom.

S said that it agreed around a dozen tiles in the bathroom were either slightly misaligned or had minor damage to them. It agreed to replace those affected tiles. Mr W didn't agree to replacing just the affected tiles, he asked S to re-tile the whole bathroom again. After further negotiation, S agreed to re-tile the bathroom using a 'tile-on-tile' method if Mr W agreed to pay for the materials. This was on the basis that S didn't agree the whole bathroom needed re-tiling. In addition, it also agreed (it says on Mr W's request) to increase the quote it would provide to Mr W's insurer by £1,200 plus VAT to cover the costs of re-tiling. Mr W agreed for the insurance amount to be increased and the insurer paid this additional amount to him, but he didn't agree to S' proposal to re-tile the bathroom tile-on-tile. He insisted that all the tiles should be removed and re-tiled from scratch.

There was then a disagreement between Mr W and S concerning VAT that was payable on the invoice. Mr W said he was eligible for a VAT exemption, but S said that he had not provided sufficient evidence to show that was the case.

As Mr W was unhappy with the work carried out by S on his home he contacted Sainsbury's to make a claim under section 75 in late 2022. Sainsbury's investigated the claim and provided an outcome in March 2023. It said that it considered S had offered a reasonable remedy to put right the breach of contract and that Mr W's insurance claim would fairly cover any costs. It therefore didn't agree it needed to do more to put things right. It did however agree to pay him £208.80 which covered part of the cost (a little under two thirds) of the independent report Mr W had commissioned to demonstrate the issues with S' work.

Mr W contested that outcome and in the summer of 2023 he discovered a further leak due to a soil pipe in the toilet not being connected correctly. He sought a further £534 in consequential losses for fixing the leak. He also provided quotes from other companies showing the costs involved in completely re-fitting the bathroom from scratch. He said this was necessary because when removing tiles the fitted units and flooring would get damaged and would require replacement.

Sainsbury's sent a revised outcome to Mr W's section 75 claim in December 2023. It was still satisfied that the previous remedy offered by S was fair and that Mr W had received additional funds from his insurance claim which could reasonably cover any repair costs. It did however, agree to pay Mr W the full cost of his independent report at £360. Mr W complained about that outcome and Sainsbury's sent its final response to that complaint in March 2024. It didn't think it had reached an unfair outcome when looking at the section 75 claim, but it agreed that it could have reviewed matters more quickly. It agreed to pay Mr W £175 compensation for the poor way it handled the claim and complaint.

I sent Mr W and Sainsbury's my provisional decision on 17 October 2025. I explained why I was planning to uphold the complaint in part. I said:

The general effect of section 75 is that if Mr W has a claim for breach of contract or misrepresentation against S, he can bring a like claim against Sainsbury's as the provider of credit. There are other requirements that also need to be met for a claim to be made. For completeness, I'm satisfied those other requirements are met here.

Sainsbury's accepts there was a breach of contract by S, in that it did not complete some of the work at Mr W's home with reasonable care and skill. However, it is of the view that S put forward a fair remedy to resolve those issues and that coupled with Mr W's payout from his insurance claim, it means there was no longer anything further it needed to do in relation to the breach of contract (although it did agree to pay for the independent report Mr W commissioned).

Having carefully considered matters, I'm broadly in agreement with Sainsbury's, albeit I do think it would be fair for it to cover some additional minor consequential costs that arose as a result of the breach of contract by S and which S hadn't already agreed to pay for. I've set out my reasons for reaching this conclusion below.

The key issues in dispute between Mr W and S were the condition of the tiling in the bathroom and kitchen, the condition of the sink/basin in both rooms and the condition of the shower.

Having reviewed correspondence between Mr W and S, I can see that S was prepared to put right all of the outstanding snagging issues in the bathroom and kitchen. It offered this to Mr W, and it seems that Mr W was broadly happy with the proposal by S except for the issue of the tiling in the bathroom. Mr W wasn't prepared to accept replacement of just the affected tiles (which S said was around a dozen tiles), he wanted the whole bathroom completely re-tiled.

As a compromise, S offered to cover the labour costs for re-tiling the whole bathroom 'tile-on-tile' if Mr W paid for the materials. I can see S also agreed to increase the value of the invoice for Mr W's insurance claim in order to ensure the insurer covered these additional costs. Mr W received this increased insurance payout but did not agree to S coming to re-tile the bathroom as he did not want it re-tiled 'tile-on-tile'.

While I can understand why Mr W may not have wished for tile-on-tile, I've also not seen anything to sufficiently persuade me that a full re-tile was necessary,

reasonable or proportionate in the circumstances. It seems to me S was prepared to simply remove and re-tile the affected tiles and this would have placed Mr W back in the position he would have been in had S carried out the original work with reasonable skill and care.

Given this, I think the additional compromise S offered was fair in the circumstances. It gave Mr W the option of re-tiling just the affected tiles or a full re-tile if Mr W covered the cost of the materials (which his increased insurance payout would cover the costs of). It also agreed to remedy the other outstanding issues in the kitchen and bathroom.

Sainsbury's reached a similar conclusion when it reviewed Mr W's section 75 claim and subsequent complaint. It was satisfied that a fair offer had been made by S and Sainsbury's therefore didn't need to do more. In the circumstances, I don't think this was an unreasonable or unfair conclusion to reach in relation to the substantive part of Mr W's claim.

I appreciate Mr W has since provided quotes from third party companies which suggests that the whole bathroom needs to be taken out and fully replaced, including all the tiles. However, it seems this is on the premise that when removing all the tiles it is likely to cause damage to all of the fitted units including the flooring which would then necessitate their replacement. But it doesn't seem that Mr W has specifically sought an opinion from an independent party as to the viability of just replacing the affected tiles, rather than completely re-tiling the whole bathroom. So, I'm not persuaded these quotes demonstrate it is necessary or reasonable to remove all the tiles in the bathroom in order to remedy the breach of contract.

Further, I've seen an email Mr W sent to S dated 24 July 2022 in which he said: "I think the best way to solve...the bathroom tiling problem is to rip the current tiling out and start again from scratch. As I feel any patching will involve tiles from a different batch and there could be disparities that are easily visible, creating another problem."

This suggests that Mr W was aware that simply replacing the affected tiles was possible and requiring a full re-tile was not necessary to fix any broken tiles. However, he was concerned about the possibility of the replacement tiles not matching. While I can understand he might have some concern about this, S had never said the tiles wouldn't match. As replacing a small number of tiles would be far cheaper and a more proportionate remedy in these circumstances, I don't think Mr W has taken reasonable steps to try and fairly mitigate his losses by not allowing S to attempt to remedy the problem first.

While I accept there was a possibility the replacement tiles might have looked marginally different due to being from a different batch, this was not guaranteed and replacement of just the affected tiles would have been significantly cheaper and quicker. So, I'm not currently persuaded on the available evidence that it is necessary, reasonable or proportionate for all of the tiles to be removed in order to remedy the breach of contract. That being the case, it also doesn't appear to have been necessary (based on what has been presented to me so far) to completely remove the bathroom and re-fit it from scratch. I therefore don't think Sainsbury's has acted unreasonably in not agreeing to this.

It's possible that given the amount of time that has now passed that a tile match is no longer an option. However, if that's the case I don't think it would be reasonable to say Sainsbury's ought to be responsible for covering the costs of re-tiling the whole

bathroom and any associated costs with that. This is because I think Sainsbury's initial response to the section 75 claim in March 2023 was reasonable and any possible issue with availability of matching tiles now is due to Mr W not accepting a reasonable remedy at the time.

I'm aware there has also been issues raised concerning the insurance claim payment and what this was intended for and Mr W's tax position in relation to one of the invoices. However, I think both of these issues are immaterial to what a fair and reasonable outcome ought to be here. This is because my role is to decide whether Sainsbury's acted fairly and reasonably in the way it handled Mr W's section 75 claim and complaint. As I think S had made a fair offer to remedy the breach of contract, I am of the view that Sainsbury's decision not to pay for any remedial work on that basis was broadly fair.

Having said this, I think there were some minor additional consequential losses that Sainsbury's ought to have refunded at a later point when it reviewed the claim again.

Mr W informed Sainsbury's in the summer of 2023 that due to an issue with the soil pipe on the toilet there was a leak which he had needed to urgently repair. Mr W had to pay for an emergency plumber to come and fix the problem which cost him a total of £300. He says he also had to pay £234 to the owner of the flat below him to rectify damage caused by the leak.

Given how soon this leak occurred, it seems likely it was as a result of the work carried out by S, seeing as it had installed the toilet and connected the soil pipe. I therefore think the costs Mr W incurred in having the issue repaired in 2023 are directly as a result of a breach of contract by S. Therefore, I think it's fair and reasonable that Sainsbury's ought to pay Mr W the £300 he paid to fix the issue.

In relation to the additional £234 Mr W says he had to pay his neighbour, I think it would be fair for Sainsbury's to cover this cost too as I'm satisfied the damage was caused by the poor installation by S. However, Mr W has so far not provided any evidence to demonstrate he has actually incurred this additional £234 (he's only provided a quote for costs from a contractor). I think Sainsbury's should only need to refund him this amount if he can show evidence that this is what he paid.

I can see that the soil pipe leaked again around a year later in 2024 and this caused damage once more to the flat below. Mr W is seeking the costs of the additional repairs he incurred and the costs he says he's had to pay to his neighbour for damage caused to their property. However, I'm not persuaded it would be fair for Sainsbury's to cover these additional costs for the issues in 2024.

I say this because there's insufficient evidence to fairly say the further leak to the soil pipe in 2024 is likely to be caused by any poor workmanship on the part of S. I say this because Mr W instructed an emergency plumber in 2023 to fix the issue with the soil pipe. If there was a further issue in 2024, it seems to me this was far more likely to have been as a result of an inadequate fix put in place by the emergency plumber. Given someone else has carried out work on the pipe and toilet after it was fitted, I can't fairly say the latest issue is likely to have been caused by S. For that reason, I don't think Sainsbury's acted unfairly in not refunding those costs.

Lastly, Sainsbury's has already agreed to pay Mr W £360 to cover the cost of the independent report he commissioned which highlighted issues with S' work in the kitchen and bathroom. I think this is fair and that additional cost should be refunded to Mr W if Sainsbury's hasn't done so already.

Sainsbury's has also accepted that it's handling of the section 75 claim could have been better and offered Mr W £175 compensation for any upset and inconvenience this caused him. I do agree that Sainsbury's could have dealt with the claim better, however, I'm satisfied that its offer of £175 compensation is fair in the circumstances.

I say this because there was a minor delay in providing the initial response to his claim in March 2023 after receiving the independent inspection report from Mr W in late 2022, and S' response to that report. This dealt with the substantive part of Mr W's claim and although the further review of the claim was not concluded until December 2023 this was not solely down to delays by Sainsbury's. For example, Mr W added new elements to his claim later in 2023 (the leak) and provided new evidence such as new quotes for work which required further investigation. That being said, Sainsbury's did take longer than it should have to review matters and provide an updated response, but I consider the £175 compensation it has offered to be a fair way to put right any upset and inconvenience caused by those delays.

Sainsbury's accepted my provisional decision, but Mr W didn't. He provided a substantive response. I've summarised what I consider to be the key points:

- The original insurance claim did cover the entire bathroom. As a match to the original tiles in the bathroom could not be made (evidenced by an email from S dated May 2022) an amount was added to the insurance claim to cover re-tiling of the whole bathroom. This was not to cover the cost of remedying the poor tiling done by S.
- At no point did he agree to any invoice inflation or misrepresentation of his insurance claim.
- He declined the offer of the tile-on-tile remedy and tile replacement after completing research which suggested that in both cases the result would be of poor quality. He suggested an independent inspection to identify the faults and what repairs were necessary. A recent independent report concluded that it would be impractical to replace the affected tiles and therefore support his decision not to accept the offers put forward by S.
- It was S that prevented any resolution being reached in a reasonable period of time as it refused to agree to an independent inspection and for further work to be completed until tax information was provided. Mr W didn't want to provide sensitive tax information until he could be assured the work was completed to an acceptable standard.
- Sainsbury's response to the section 75 claim was unfair as it was predicated on S having made an acceptable offer by increasing the insurance claim. This increase in the insurance claim was not to remedy S' poor tiling but was to cover the original re-tiling of the bathroom. Evidence from independent parties demonstrates that S' offers of re-tiling only the affected areas or tile-on-tile re-tiling were not appropriate remedies.

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.

Mr W provided a substantive response to my provisional decision along with numerous supporting documents. I have carefully reviewed and considered everything he has said and provided, including the further submissions following my provisional decision. Having done so, I've reached the same overall conclusion I reached in my provisional decision, and for broadly the same reasons.

I've set out below why Mr W's additional submissions haven't changed the outcome I've

reached. If I haven't commented on a specific point Mr W has raised this is because I don't think it makes any material difference to the overall outcome or my reasons for reaching that outcome. But I want to assure him I have nevertheless considered what he has said and provided.

The key issue here is that Mr W feels Sainsbury's response to his section 75 claim and complaint was unfair and unreasonable on the grounds that it should not have considered the payments from his insurance claim as part of any offer of remedy by S. However, I don't agree and I'll explain why.

In relation to the insurance payment, the details that have been made available to me are somewhat limited. By this I mean that some of the negotiations between S and Mr W about the additions that were made to the insurance claim by S appeared to have been made verbally either face to face or over the phone. There is no verifiable evidence as to exactly what was discussed in those specific conversations as both parties appear to have different recollections of the events.

However, what I have seen are emails between S and Mr W discussing possible remedies for the tiling that S completed. Further, I've seen some emails between Mr W and his insurance claims advisor. These emails were available to Sainsbury's when it reviewed Mr W's section 75 claim and complaint.

This shows that Mr W instructed S to carry out work on his bathroom in March 2022. He also made his first payment towards this work in early April 2022. This work included a complete re-tiling of the bathroom and replacing the fixtures. From the emails I've seen, it appears Mr W didn't lodge his insurance claim until a few days after making this first payment for work in the bathroom to S.

When the insurer requested evidence of the cost of rectifying the damage to Mr W's bathroom, he asked S to provide a quote. This was for £2,400 plus VAT. The quote highlighted that a further amount of up to £1,500 might be required in the event that bathroom fixtures would be damaged during their removal and therefore could not be re-installed. It also said a further amount of £1,200 plus VAT might be required if it wasn't possible to match tiles to the rest of the bathroom (as only some of the tiles needed to be removed to repair the affected area).

So, it appears that Mr W had already decided to replace all the tiles and bathroom fixtures before this quote was prepared for the insurer (as he had already paid for the work to commence). Therefore, when further sums were added by S to the insurance claim for replacing the tiling as well as sums for replacing all bathroom fixtures, I can understand why Sainsbury's was satisfied that S' offer to Mr W was fair. This is because it did appear, when reviewed in the context of the other emails between S and Mr W, that additional unnecessary sums were added to the insurance claim in order to cover the costs to remedy the poor tiling work carried out by S.

While I can see an email was sent by S in May 2022 about the tiling, it appears S also added additional sums to the insurance claim several months after the work to the bathroom had been completed to cover replacement of all bathroom fixtures. It seems it was this second addition that was intended to cover the cost of further replacement tiles as part of S' proposed remedy to the tiling it complete.

I'm not suggesting (nor has Sainsbury's from what I can see) that Mr W has misrepresented his insurance claim or unjustly inflated it. What I'm highlighting is that it does appear that given the available evidence around how and why these additional sums came to be added that S' offer to put things right at the time was reasonable. Therefore, I don't consider

Sainsbury's response to Mr W's section 75 claim and complaint to have been substantively unfair (save for not agreeing to refund some additional periphery costs I highlighted in my provisional decision).

Mr W says that a more recent independent report highlights that his decision not to agree to replace just the affected tiles was correct. However, I don't agree. The report is dated 5 November 2025, and the relevant section says:

"It is not practical to replace only the damaged or mis-aligned tiles as an exact match is extremely unlikely and will almost certainly look worse than (sic) it does now."

I take from this that had a tile match been available, it would have indeed been practical and possible to simply replace the affected tiles. As it has been over three years since the tiles were placed, I accept finding a match is unlikely now. However, this only serves to further highlight how the issue could have been easily remedied by S at the time (by replacing only the affected tiles) had Mr W agreed to it. It therefore seems to me that it is only now more costly and difficult to remedy the issue because Mr W didn't give S a reasonable opportunity to remedy the breach of contract at the time. I therefore don't find Sainsbury's response to the section 75 claim – in that it thought S' offer to remedy the breach of contract to be fair – to have been unreasonable.

I understand Mr W feels very strongly about the quality of the work that was undertaken by S. However, I've not seen anything to persuade me that Sainsbury's acted unfairly or unreasonably when it assessed his section 75 claim and concluded that the S had made a fair offer to remedy the breach of contract. However, I do think it should have agreed to cover some of the additional consequential losses Mr W had incurred, which I highlighted in my provisional decision.

My final decision

For the reasons given above, I uphold this complaint in part and direct Sainsbury's Bank Plc to:

- Pay £300 representing the costs Mr W incurred in 2023 for fixing the leak to the toilet.
- Pay £234 that Mr W paid to cover the costs of damage caused to his neighbour's home due to the leak in 2023. Sainsbury's only needs to pay this additional amount if Mr W supplies proof that he paid this amount for that specific purpose.
- Pay £360 (if it hasn't already) for the cost of the independent report.
- Pay £175 compensation (if it hasn't already) for the upset and inconvenience caused by the way it handled the section 75 claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 January 2026.

Tero Hiltunen
Ombudsman