

The complaint

Mr and Mrs I say that Shawbrook Bank Limited (the Lender) unfairly declined claims they made under Section 75 of the Consumer Credit Act 1974 ('CCA').

What happened

In November 2012, Mr and Mrs I purchased a timeshare membership from a timeshare provider (the 'Supplier'). The membership was asset backed – which meant it included a share of the net sale proceeds of a property named on the purchase agreement (the 'Allocated Property') after the membership term ended. Mr and Mrs I borrowed £22,019 from the Lender to pay for the timeshare. The loan was repaid in full in June 2017.

In September 2025, Mr and Mrs I complained about the purchase and the related loan to the Lender. It appears the complaint was that the relationship arising from the loan was unfair under section 140 of the CCA, and they had felt pressured into purchasing the Timeshare.

The Lender responded to Mr and Mrs I's complaint in October 2025. It went on to say that Mr and Mrs I had waited too long to make a complaint and therefore the complaint hadn't been made in time.

Mr and Mrs I referred the complaint to our service. They said that they were sold under pressure, a Timeshare by the Supplier, which added to their financial difficulties. They believed the Lender had put an arbitrary time limit on their claim to avoid compensating them, even though it had been ruled by the courts that (the sale) was in contravention of Section 140 and Section 75 of the CCA. They explained that they had only recently been made aware that banks such as the Lender had put aside money to compensate people who had been mis-sold.

One of our investigators considered the complaint. They explained why they didn't think this service could consider a complaint under section 140 of the CCA because it had been made more than six years after the loan was repaid. And they also explained that it wouldn't be fair to expect a creditor to look into a claim in respect of Section 75 of the CCA, so long after the liability arose, and after a limitation defence under the Limitation Act 1980 (the 'LA')) would be available in court.

Mr and Mrs I disagreed and said they hadn't been aware that the loan had been provided in contravention of the rules and regulations governing such transactions. They didn't think the sales technique led to a knowledge of what financial companies were doing behind the scenes.

Mr and Mrs I have asked for a final decision from an ombudsman. This decision deals solely with Mr and Mrs I's complaint pursuant to section 75 of the CCA.

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.

Section 75 of the CCA: the Supplier's misrepresentations at the Time of Sale

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Section 75(1) of the CCA protects consumers who buy goods and services on credit. It says, in certain circumstances, that the finance provider is legally answerable for any misrepresentation or breach of contract by the supplier.

However, the Lender says it's too late for Mr and Mrs I to make a claim under Section 75 of the CCA. It's specifically referred to the LA, which essentially says Mr and Mrs I had six years from the date on which the cause of action accrued' to make their claim, after which the Lender has a complete defence to the claim.

I wouldn't normally think it was unfair for a respondent firm to rely on the LA to decline a claim that's been made outside the limitation period, and I don't think it's unfair in this instance.

The date on which the cause of action accrued in respect of any misrepresentation is, in this case, the date of sale. It was then that Mr and Mrs I entered into an agreement. As the loan from the Lender was used to finance the purchase, it was also then that they suffered a loss. It follows that Mr and Mrs I had six years from the date of sale to make a claim for misrepresentation. But they didn't make their claim until September 2025, which is outside the time limits set by the LA.

Section 75 of the CCA: the Supplier's breach of contract

The LA also applies to claims for breach of contract, with the relevant limitation period normally expiring six years after the date of the breach or breaches in question. However, Mr and Mrs I haven't provided any information about exactly what the breaches, (if any), were or when they occurred. This makes it difficult to arrive at any conclusion that the Supplier must have been in breach of contract. Overall, therefore, from the little evidence I have seen, I do not think the Lender is liable to pay any compensation for a breach of contract by the Supplier. And with that being the case, I do not think the Lender acted unfairly or unreasonably when it dealt with the Section 75 claim in question.

My final decision

For the reasons given, I don't think it was unfair for Shawbrook Bank Limited to decline Mr and Mrs I's claims under section 75 of the CCA.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr I to accept or reject my decision before 19 May 2026.

Simon Dibble
Ombudsman