

The complaint

Mr and Mrs P's complaint is, in essence, that Shawbrook Bank Limited (the 'Lender') acted unfairly and unreasonably by (1) being party to an unfair credit relationship with them under Section 140A of the Consumer Credit Act 1974 (as amended) (the 'CCA') and (2) deciding against paying claims under Section 75 of the CCA.

What happened

Mr and Mrs P were the members of a timeshare provider (the 'Supplier') – having purchased a number of products from it over time. But the product at the centre of this complaint is their membership of a timeshare that I'll call the 'Fractional Club' – which they bought on 19 March 2014 (the 'Time of Sale'). They entered into an agreement with the Supplier to buy 15,000 fractional points at a cost of £10,200¹ (the 'Purchase Agreement').

Fractional Club membership was asset backed – which meant it gave Mr and Mrs P more than just holiday rights. It also included a share in the net sale proceeds of a property named on the Purchase Agreement (the 'Allocated Property') after their membership term ends.

Mr and Mrs P paid for their Fractional Club membership by taking finance of £10,200 from the Lender (the 'Credit Agreement'). This finance was repaid in full in September 2014.

Mr and Mrs P – using a professional representative (the 'PR') – wrote to the Lender on 19 November 2021 (the 'Letter of Complaint') to raise a number of different concerns. As those concerns haven't changed since they were first raised, and as both sides are familiar with them, it isn't necessary to repeat them in detail here beyond the summary above.

The Lender dealt with Mr and Mrs P's concerns as a complaint and issued its final response letter on 13 June 2022², rejecting it on every ground.

The complaint was then referred to the Financial Ombudsman Service. It was assessed by an Investigator who, having considered the information on file, came to the view that it shouldn't be upheld.

Mr and Mrs P disagreed with the Investigator's assessment and asked for an Ombudsman's decision – which is why it was passed to me.

On 25 September 2025 I issued a provisional decision. That decision dealt with both the Financial Ombudsman's jurisdiction to deal with Mr and Mrs P's complaint and the merits of those parts of it that I thought were in jurisdiction. But as decisions on jurisdiction aren't usually published, I've dealt with the matters which I decided weren't in our Service's jurisdiction separately.

In my provisional decision I concluded that the aspects of Mr and Mrs P's complaint that I thought were in jurisdiction shouldn't be upheld. In summary I said:

¹ net cost after 15,000 existing points were traded in

² the Lender issued Mr and Mrs P with a more substantive response than this final response letter on 7 January 2022

Mr and Mrs P's Section 75 of the CCA complaint: the Supplier's misrepresentations at the time of Sale

As a general rule, creditors can reasonably reject Section 75 of the CCA claims that it's first informed about after the claim has become time-barred under the Limitation Act 1980 ('the LA') as it wouldn't be fair to expect creditors to investigate such claims so long after the liability arose and after a limitation defence would be available in court. So, it's relevant to consider whether Mr and Mrs P's Section 75 of the CCA claim was time-barred under the LA before they put it to the Lender.

A claim under Section 75 of the CCA is a "like" claim against the creditor. It essentially mirrors the claim the consumer could make against the Supplier.

A claim for misrepresentation against the Supplier would ordinarily be made under Section 2 (1) of the Misrepresentation Act 1967. And the limitation period to make such a claim expires six years from the date on which the cause of action accrued (see Section 2 of the LA).

But a claim, like the one in question here, under Section 75 of the CCA is also 'an action to recover any sum by virtue of any enactment' under Section 9 of the LA. And the limitation period under that provision is also six years from the date on which the cause of action accrued.

The date on which the cause of action accrued was the Time of Sale. I say this because Mr and Mrs P entered into the purchase of their timeshare at that time based on the alleged misrepresentations of the Supplier – which they say they relied on. And as the loan from the Lender was used to help finance the purchase, it was when they entered into the Credit Agreement that they suffered a loss.

Mr and Mrs P first notified the Lender of their Section 75 of the CCA claim in November 2021. And as more than six years had passed between the Time of Sale and when they first put their claim to the Lender, I don't think it would have been unfair or unreasonable of the Lender to reject Mr and Mrs P's concerns about the Supplier's alleged misrepresentations.

Mr and Mrs P's Section 75 of the CCA complaint: the Supplier's breach of contract

Mr and Mrs P say that they couldn't holiday where and when they wanted to.

Notwithstanding it's unclear when this alleged breach occurred in this case, and this is necessary information to have when considering whether the Lender might have a defence under the LA, just as it did against Mr and Mrs P's concerns of misrepresentation, I accept it's possible that the alleged breach occurred within six years of the date Mr and Mrs P notified the Lender of their claim. But I don't find it necessary to make a finding on this point.

Mr and Mrs P say that they couldn't holiday where and when they wanted to – which, on my reading of the complaint, suggests that they consider that the Supplier wasn't living up to its end of the bargain, and had breached the Purchase Agreement.

But like any holiday accommodation, availability wasn't unlimited – given the higher demand at peak times, like school holidays, for instance. Some of the sales paperwork signed by Mr and Mrs P states that the availability of holidays was/is subject to demand. I accept that they may not have been able to take certain holidays, but I haven't seen enough to persuade me that the Supplier had breached the terms of the Purchase Agreement.

The PR responded to my provisional decision to say it had nothing further to add.

Following my provisional decision and the PR's response to it I wrote further to the parties to say that having considered what the Lender had paid the Supplier by way of commission for acting as a credit broker and arranging the Credit Agreement I still didn't think that the Lender had acted unfairly or unreasonably when it dealt with Mr and Mrs P's Section 75 claim.

The PR responded to my further correspondence to say it had nothing further to add.

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.

As the PR has confirmed it has nothing further to add to my provisional decision or my further correspondence I can confirm that I see no reason to depart from my provisional findings.

So in conclusion, given the facts and circumstances of this complaint, I don't think that the Lender acted unfairly or unreasonably when it dealt with Mr and Mrs P's Section 75 claim and having taken everything into account, I see no other reason why it would be fair or reasonable to direct the Lender to compensate them.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs P to accept or reject my decision before 27 February 2026.

Peter Cook
Ombudsman