

complaint

Mrs B complains that Nationwide Building Society rejected her claim under S 75 Consumer Credit Act 1974 in respect of work carried out on her husband's motorbike.

background

Mr B is an additional card holder on Mrs B's account and he used his card to pay for his motorbike to be converted to a trike. Apparently the work wasn't carried out properly and it failed its MOT. Mr B made a claim under S 75 but Nationwide rejected this as he wasn't the main cardholder and so failed the debt-creditor-supplier test. Mr B brought the matter to this service and it was investigated by one of our adjudicators who didn't recommend that it be upheld.

The adjudicator said that in order for a claim to be considered under Section 75, Mr B had to meet certain criteria. One of these is that there must be a debtor-creditor-supplier relationship. As Mrs B is the main account holder she is the debtor. From the paperwork provided about the works carried out, she could see it was all in Mr B's name. He confirmed that he made the transaction as the additional card holder.

Although she hadn't seen the V5 document or insurance paperwork, it wasn't disputed that both were in Mr B's name. Therefore, she concluded there was no debtor-creditor-supplier relationship as the transaction wasn't made by Mrs B nor was it for her benefit. As these criteria must be met for us to consider a claim, she considered she was unable to look any further into the complaint.

Mrs B didn't agree and said that this was a technicality. She also referred to the literature supplied by Nationwide which says that secondary cardholders' purchases are treated as the same as if carried out by the main cardholder. She also said that the trike was for her benefit as it was a present for her and her husband to travel together.

my findings

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

To succeed a S 75 claim has to meet certain criteria. One of the key criteria is that there is a debtor-creditor-supplier link. Purchases made by an additional cardholder do not meet this requirement unless the goods or services are purchased for the benefit of the main cardholder. In this case the trike was registered in Mr B's name and he is insured to ride it. All the invoices I have seen are in his name.

It may be that Mrs B will travel on it as a passenger, but I regret that she hasn't demonstrated with sufficient evidence that it was for her benefit as well as that of her husband. From all that I have seen any benefit she may derive from it is incidental to her husband's ownership and use of it.

She has referred to the material issued by Nationwide when she took out the card and has suggested that this says the additional card holder will be treated equally with the main cardholder. I have seen nothing that overrides the law as set out in S 75 and while I have every sympathy for Mr and Mrs B I cannot safely uphold the complaint.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 7 July 2016.

Ivor Graham
ombudsman