

complaint

Mr E complains that Tesco Personal Finance plc, trading as Tesco Bank, will not refund to him the money that he paid for a car. His complaint is made against Tesco Bank under section 75 of the Consumer Credit Act 1974.

background

Mr E used his Tesco Bank credit card to pay £15,000 towards the cost of a used car in September 2013. He complained to the supplier, and then to Tesco Bank under section 75, that the car had been misrepresented to him and that there had been breaches of contract by the supplier. He was not satisfied with Tesco Bank's response so he complained to this service.

The adjudicator did not recommend that this complaint should be upheld. He concluded that the car was purchased using Mr E's personal Tesco Bank credit card but was invoiced to a company - which was a business owned by Mr E - which broke the debtor-creditor-supplier link.

Mr E has asked for his complaint to be considered by an ombudsman. He says, in summary, that the car was only invoiced to his company as a subsequent variation to the original contract which was directly between the garage and him and, even had the invoice been issued directly in the name of the company, he would still have been liable under the purchase contract having agreed to purchase the vehicle without any reference to the company.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

In certain circumstances, section 75 gives a consumer an equal right to claim against the supplier of goods or services or the provider of credit if there has been a breach of contract or misrepresentation by the supplier. One of those circumstances is that there must be a direct relationship between the debtor, the creditor and the supplier.

In Mr E's case, he is the debtor because he used his Tesco Bank credit card to pay for the car, the creditor is Tesco Bank because it provided credit to him and the supplier is the supplier of the car. However, the supplier supplied the car to a company as clearly shown on the invoice and not to Mr E. On the basis of the evidence that I have seen, I consider that the car was invoiced to the company, that the company received the car and that it was going to be used for the company's purposes. I therefore do not consider that there is a direct relationship between Tesco Bank and the company to which the car was supplied.

As such, I consider that the debtor-creditor-supplier relationship required for a successful claim under section 75 is not present in this transaction. I therefore do not consider that it would be fair or reasonable for me to require Tesco Bank to refund to Mr E under section 75 the money that he paid for the car or to pay him any other compensation.

my final decision

For these reasons, my decision is that I do not uphold Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr E to accept or reject my decision before 17 July 2015.

Jarrold Hastings
ombudsman