

complaint

Mr T complains that Nationwide Building Society won't refund to him the money that he's claimed for a car that was misrepresented to him. His complaint is made against Nationwide under section 75 of the Consumer Credit Act 1974.

background

Mr T used his Nationwide credit card in January 2016 to pay £700 towards the cost of a car. He found some faults with the car – and he's paid for them to be repaired - but he says that the car was misrepresented to him as it didn't have a full service history. He complained to Nationwide under section 75 but wasn't satisfied with its response so complained to this service.

The adjudicator didn't recommend that this complaint should be upheld. She said that the debtor-creditor-supplier relationship required for a claim under section 75 to be successful wasn't present in the transaction for the purchase of the car because Mr T had paid £700 to one company but the car had been supplied to him by another company.

Mr T has asked for his complaint to be considered by an ombudsman. He says that he's been scammed and that Nationwide should be liable under section 75.

my findings

I've considered all the available evidence and arguments to decide what's 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's 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 this case Mr T is the debtor because he has been provided with credit by Nationwide, it is the creditor and the supplier is the company that sold the car to Mr T. But Mr T paid £700 using his Nationwide credit card to a company that wasn't the company that sold him the car. So there is no direct relationship between Nationwide and the company that sold the car to Mr T. The adjudicator has investigated any links between the two companies - but she concluded that that they weren't "*associates*" as defined in section 184 of the Consumer Credit Act 1974 – so section 75 didn't apply.

I'm not persuaded that there's a debtor-creditor-supplier relationship in these circumstances. So I find that it wouldn't be fair or reasonable for me to require Nationwide to refund any money to Mr T under section 75 – or to take any other action in response to his complaint.

my final decision

For these reasons, my decision is that I don't uphold Mr T's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 15 June 2017.

Jarrold Hastings
ombudsman