

## **complaint**

Mr V complains that Vanquis Bank Limited will not adequately compensate him for his time wasted during a complaint he made about goods that he bought with his credit card.

## **background**

Mr V bought a pre-owned prestige designer watch. He says that the watch developed a fault and so he took it to an outlet of the designer, which would not repair it because the diamond dial and a few of the bracelet sections were not manufactured by the original designer.

Mr V considers that he was misled by the merchant, whom he says should have told him about the substitutions when the watch was sold to him. He took court proceedings against the merchant and also brought a complaint against Vanquis.

The basis for Mr V's claim at that time for compensation from Vanquis was section 75 of the Consumer Credit Act, under which (in certain circumstances) the consumer may have a like claim against the provider of credit as against the merchant, where goods were bought with credit and there has been breach of contract or misrepresentation.

Vanquis did not accept that it could have any liability under section 75, because Mr V had paid for the watch using his electronic money account – which he had then funded from his Vanquis credit card. It said that this created a break in the consumer/lender/supplier chain that was needed for section 75 to apply.

Although Vanquis was unwilling to meet any claim under section 75, it paid Mr V £50 to reflect failings which it accepted had happened during its consideration of his complaint. Mr V did not feel that was enough, and said Vanquis had delayed his complaint on purpose and initially given him the wrong reason for not meeting his claim. He considered that he should receive £150.

As things were not settled, Mr V brought his complaint to this service where an adjudicator investigated it. The adjudicator checked to make sure that the transaction was not covered by section 75, and was satisfied that Vanquis had been correct to say that it was not – because Mr V had paid for the watch using his electronic money account.

Given that Vanquis had no liability to Mr V in the matter, the adjudicator did not consider that it could fairly be required to pay Mr V further compensation. Because of that, the adjudicator did not recommend that the complaint should succeed.

Mr V did not agree and said, in summary:

- He received poor customer service from Vanquis, and that is worth more than the £50 it has paid him.
- He called Vanquis a number of times and spent almost three and a half hours trying to lodge the complaint and being passed around. He must have spent about £20 in call credits, so that eats into the £50 he was paid.
- He has a very tight work schedule and had to make calls in his lunch hour. £50 is not a fair and reasonable amount.

### **my findings**

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

I appreciate that Mr V feels he has been very inconvenienced by the problems with the watch, and I note that he is taking court proceedings against the merchant in relation to that. But, because section 75 did not apply to this transaction, Vanquis never had any liability to Mr V in the matter – even though he initially believed that it did.

Even if, as Mr V says, Vanquis initially wrongly told him the transaction was not covered for the reason that the watch was pre-owned, I don't see that this made any material difference to his position. Overall, he is not out of pocket from his calls to Vanquis and I do not consider that Vanquis must compensate him further.

I find that the £50 which Vanquis has already paid represents a fair and proportionate settlement in this case.

### **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 Mr V to accept or reject my decision before 21 October 2016.

Jane Hingston  
**ombudsman**