

complaint

Mr K complains that Barclays Bank PLC, trading as Barclaycard, won't refund to him the money that he paid for the supply and installation of a new boiler. His complaint is made against Barclaycard under section 75 of the Consumer Credit Act 1974.

background

Mr K used his Barclaycard in May 2017 to pay £1,135.45 towards the cost for the supply and installation of a new boiler. He also paid the same amount with another credit card and he paid a deposit of £750. He had a number of issues with the installation (including the length of time taken to install the boiler, redundant holes being drilled in the floor, being left without water for three days and without hot water and central heating for three weeks, a new cylinder wasn't supplied and old pipes weren't taken away). He complained to Barclaycard and to the other credit provider about those issues under section 75 – and the other credit provider refunded £1,135.45 to him. Barclaycard offered to refund £500 to Mr K as a gesture of goodwill. But Mr K didn't accept its offer and complained to this service.

The investigator didn't recommend that this complaint should be upheld. He said that the boiler was clearly not fit for use in its current condition and that the services carried out in installing it had left Mr K with a range of outstanding issues that required resolution by a third party engineer. But those issues would cost £1,074 to put right and Mr K had already received a refund of £1,135.45. So the investigator said that the £500 offered by Barclaycard was sufficient to compensate Mr K and his family for the general trouble and upset caused during the installation of the boiler. And the supplier says that it collected and fitted a water cylinder free of charge as a gesture of goodwill.

Mr K has asked for his complaint to be considered by an ombudsman. He says, in summary, that there was a verbal agreement that the supplier would get the new cylinder but the new cylinder is unsuitable. He says that he was forced to pay for shoddy service and that Barclaycard needs to do something to resolve it.

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. To be able to uphold Mr K's section 75 complaint about Barclaycard, I must be satisfied that there's been a breach of contract or misrepresentation by the supplier and that Barclaycard's offer of compensation isn't a fair and reasonable remedy.

There have clearly been problems with the supply and installation of Mr K's boiler. And issues with the cylinder continue. The supplier says that a new cylinder wasn't part of its contract with Mr K but it's collected and fitted the new cylinder free of charge as a gesture of goodwill. But Mr K says that the new cylinder is unsuitable. The new cylinder isn't shown on the invoice as being a part that was to be installed – and I'm not persuaded that there's enough evidence to show that Mr K bought the cylinder using credit supplied by Barclaycard. Although I can understand Mr K's frustration about the continuing issues with the cylinder, I find that Barclaycard isn't liable for any issues with the new cylinder under section 75.

Mr K has provided evidence to show that the issues with the boiler will cost £1,074 to repair – and he says that he will now need to spend a further £300 to remedy the problems. He's already received a refund of £1,135.45 from the other credit provider – and Barclaycard has offered to refund £500 to him as a gesture of goodwill. Even after paying for the further repairs, he will have received more compensation than he's paid for the repairs – and I consider the excess to be appropriate compensation for the trouble and upset that he's been caused by these issues. So I find that Barclaycard's offer is fair and reasonable in the circumstances – and I'm not persuaded that it would be fair or reasonable for me to require it to make a larger payment to Mr K (or to take any other action in response to his complaint).

my final decision

So my decision is that, in full and final settlement of his complaint, Barclays Bank PLC, trading as Barclaycard, should refund £500 to Mr K's account (and if that gives the account a credit balance, it should pay the credit balance to Mr K).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 4 December 2017.

Jarrold Hastings
ombudsman