

complaint

Miss C complains that Vanquis Bank Limited will not refund to her the money that she paid for a nail care course that was cancelled. Her complaint is made against Vanquis Bank under section 75 of the Consumer Credit Act 1974.

background

Miss C paid £474 to a course provider, using her Vanquis Bank credit card, for a nail care course. The course was cancelled twice by the course provider so Miss C requested a refund. The course provider offered to refund £114 to Miss C for the practical part of the course that had been cancelled. Miss C requested a full refund from Vanquis Bank under section 75 but she was not satisfied with its response so complained to this service.

The adjudicator recommended that this complaint should be upheld. She recommended that Vanquis Bank should rework Miss C's credit card account as if the payment of £474 had not been made and, if that resulted in a credit balance, that 8% simple interest be added to the balance from the date of payment until the date of settlement.

Vanquis Bank says that the course is offered at two rates – both with and without the practical training days – and full course material is provided via the student log-in area. It says that a refund of the practical day element of the course would allow Miss C to utilise all of the online tuition and videos to complete the course.

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 a supplier of goods or services or the provider of credit if there has been a breach of contract or misrepresentation by the supplier. To be able to uphold Miss C's complaint, I must be satisfied that there has been a breach of contract by the nail care course provider.

Miss C paid money to the nail care course provider for a nail care course which included practical training. She booked the practical training day but it was cancelled by the course provider. She booked a replacement course which was again cancelled by the course provider. She then asked for a refund of the money that she had paid for the course. The course provider offered to refund part of the payment that related to the practical training day.

However, I consider that Miss C paid for a course of nail care that included both the practical training day and the online training and that she has not received the course that she paid for through no fault of her own. Although she has had access to the online training, I have seen no evidence to show that she has used it other than to log-in to book the practical training days. I am not persuaded that Miss C has been provided with the course that she paid for. I therefore consider that there has been a breach of contract by the course provider and that Miss C is entitled, under section 75, to a refund of the money that she paid for the course from Vanquis Bank. I do not consider that the partial refund offered by the course provider and Vanquis Bank would adequately compensate Miss C for the course provider's breach of contract.

my final decision

For these reasons, my decision is that I uphold Miss C's complaint. In full and final settlement of it, I order Vanquis Bank Limited to:

1. Rework Miss C's credit card account as if the payment of £474 had not been made.
2. If that results in a credit balance, refund the credit to Miss C and to pay interest at an annual rate of 8% simple on the credit balance for the periods that the account was in credit as a result.

If Vanquis Bank deducts tax from the interest element of my award, it should send Miss C a tax deduction certificate when making payment. She can then use that certificate to reclaim the tax, if she is entitled to do so.

Jarrold Hastings
ombudsman