

Complaint

Miss A complains that Vanquis Bank Limited will not refund a payment she made with her Vanquis credit card for a repair to her car. She brings her complaint under section 75 (the 'connected-lender-liability' provision) of the Consumer Credit Act 1974.

Background

In September 2018, Miss A took her car to a main dealer garage for repair. But after the garage had done the repair and she had paid for it, Miss A continued to have problems with her car. She returned to the garage several times during the succeeding few months and, the following January, she obtained an independent report about her car. Although not on 'headed paper' she considered that the report supported her view that the garage had not done the initial repair properly.

The garage disputed Miss A's summary of events, saying – in outline – that her further visits (after the initial repair had been completed) were for different things. Whilst they accepted there had been a problem with one of the later repairs, they said that was not related to the original transaction – and they had, in any event, put that right. Miss A then complained to Vanquis, but the bank did not uphold her claim – so she came to us.

Our investigator set out the basis of how 'section 75' works, and he then explained why he did not recommend that Miss A's complaint should be upheld. In summary, he said that the problems which had occurred with her car after the garage had done the initial repair were different, and the independent diagnostic report she had provided did not appear to relate to the same thing either. The investigator also noted that the report was not on 'company headed paper', and it was also not possible to say who had added the handwritten phrase 'EGR pipe' on the document.

Miss A did not accept that outcome, and she asked for her complaint to be reviewed by an ombudsman.

My findings

I have considered all the available evidence and arguments in order to decide what is fair and reasonable in the circumstances of this complaint. I would also like to apologise to Miss A, and to Vanquis Bank, for the time it has taken us to complete our review.

As the investigator explained, under 'section 75' a customer can bring a claim against their card-issuing bank if they make a credit card payment and consider that the supplier acted either in breach of contract or misrepresented the transaction. The relevant issue here is whether or not the garage failed to complete the initial repair properly and with reasonable care and skill, and so acted in breach of contract towards Miss A.

The original problem with Miss A's car was that a warning light had come on. The garage diagnosed the fault which had caused it to illuminate, replaced a part, and the light went off. There is no dispute that, when the car was being road tested after this work had been completed, other problems were noticed. But I'm satisfied that they were different issues, which were not related to the original fault. Further problems with Miss A's car were identified in later visits to the garage, and they accept that they did not initially repair one of them properly – but they later dealt with that.

The diagnostic report which Miss A has provided is dated 9 January 2019, four months after the initial repair to her car and after she had taken it back to the garage on several occasions when other problems were discovered. The report does not directly refer to the original problem Miss A experienced, so I do not accept that it reasonably shows that the garage acted in breach of contract towards Miss A in respect of the initial repair.

In all the circumstances, therefore, I am unable to accept that the evidence shows that the garage acted in breach of contract towards Miss A and failed to undertake the initial repair with reasonable care and skill. It follows from this that I do not consider that the bank is liable, under section 75, to reimburse Miss A for the cost of the original repair to her car.

My final decision

For the reasons I have explained, my Final Decision is that I do not uphold Miss A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A either to accept or reject my decision before 15 August 2020.

David Millington
Ombudsman