

The complaint

Mr M complains that Clydesdale Bank Plc trading as Virgin Money won't pay for repairs for goods he purchased using his Virgin Money credit card. He brings his complaint under section 75 of the Consumer Credit Act 1974 ("section 75").

What happened

In February 2022, Mr M paid a company (who I will refer to as "S") for new windows and doors to be fitted to a rental property he owned. He paid a deposit of £1,485 using his Virgin Money credit card and the remaining £5,440 was financed by an interest free fixed sum loan agreement by a different lender.

After the windows and doors were installed, S noted that there were some items that still needed remedial work. These were the locking mechanism on the patio doors, the locking mechanism on one of the windows and a missing knocker on the front door.

Mr M says he tried to contact S multiple times without success to complete these remedial works. He says he therefore raised a section 75 claim with Virgin Money. He says that further issues have appeared with other windows and the front door such as them not closing properly or not being able to be closed at all.

He says that Virgin Money did not deal with the claim promptly and he raised a complaint about their handling of it. He says that Virgin Money repeatedly asked him to get a report on the condition of the windows from the Furniture Ombudsman, despite Mr M telling Virgin Money that this wasn't something the Furniture Ombudsman could do for him. He says he provided several quotes for repair and replacement of the windows, but Virgin Money took a significant amount of time to assess his claim. An offer was eventually made to settle the claim and complaint around a year and a half later and after the complaint had been referred to our service.

Virgin Money agreed to refund Mr M £1,350. This was a quoted price to repair the affected windows and doors that Mr M had provided to Virgin Money in 2022. Virgin Money had also paid Mr M a total of £150 compensation for the way his claim and complaint had been handled.

Mr M wasn't satisfied with this offer as he said that by repairing the windows and doors the original warranty that came with the purchase would be void. He said that to place him back in the position he would be in he would need all the windows and doors replaced by a company that would provide him with a ten year warranty. He provided a quote for this work from a company for around £5,900. He said the amount of compensation offered fell significantly short of putting right the amount of stress, inconvenience and loss of income he had suffered as a result of the delays in dealing with his claim and complaint.

Our investigator recommended the complaint be upheld in part. She concluded that Virgin Money's offer to refund £1,350 was fair given the available evidence. She said that Mr M hadn't demonstrated that this settlement was insufficient to rectify any faults with the windows and doors. She did however consider that the compensation for the way the claim

and complaint was handled was too low. She considered a total payment of £250 to be fair and reasonable.

Virgin Money accepted that outcome, but Mr M didn't. In summary, he said:

- He did everything he reasonably could from the outset to demonstrate to Virgin Money that the windows and doors weren't of satisfactory quality. He said that he called three separate companies (as well as the Furniture Ombudsman and FENSA) and none of them were able to compile a report for him on the quality of the work that S completed. The quote for the repair work was an online quote as he had been unable to find anyone else willing to do repairs.
- He obtained a quote in 2024 from a company for repairing all the windows and doors at a cost of around £5,900. The invoice shows this is to repair dropped windows and doors as well as broken handles and locks. It would be fair for Virgin Money to pay this amount to him instead.
- The amount of compensation at £250 is not enough to cover the distress and inconvenience caused.

The complaint has been passed to me for a final decision.

What I've decided – and why

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

The general effect of section 75 is that if Mr M has a claim for breach of contract or misrepresentation against the supplier of goods or services (in this case S) he can bring a like claim against the provider of credit (in this case Virgin Money). There are certain conditions that need to be met for a section 75 claim to be made. For completeness, I'm satisfied those conditions are met here.

Virgin Money has already agreed to pay Mr M £1,350 to cover repairs to the windows and doors. Based on everything I've seen, I'm satisfied that its offer is fair and reasonable. I'll explain why.

It's clear that S did not complete all the work that was required as its own paperwork shows that a door knocker was missing, one window didn't lock and neither did the patio doors. Since then, Mr M says that further problems have occurred with other windows and the front door which require repairs.

However, I'm not persuaded that Mr M has done enough to demonstrate a breach of contract by S for these further issues or that the costs to put them right exceeds the offer made by Virgin Money.

I say this because Mr M has provided no independent evidence (from for example a qualified expert or tradesperson) to show that a) the windows do not operate as expected and b) that the cause of their failure is down to poor workmanship by S. Mr M has sent us photographs of the windows open but these do not show that they are faulty or that any fault was caused by the way S installed them. He has also sent us a video showing the front door is getting stuck (although is still able to be opened and closed), but I don't have anything to show that this was because of any breach of contract by S, and therefore by extension, Virgin Money ought to be responsible for putting things right. The repair quotes and replacement quotes he has sent are just that, quotes for repair or replacement. They provide no helpful detail on the nature of the faults or their likely cause.

Things are further complicated by the fact that Mr M says he arranged for a local handyman to carry out temporary repairs on the windows and doors. While I understand why he needed to do this (for security and safety reasons) this only makes it even more crucial that there is evidence to demonstrate the issues with the windows and doors that are still there were caused as a result of S' poor installation – not some other later intervening event. Unfortunately for Mr M, I don't have anything persuasive to show this. The only thing I can see is likely is that one window and the patio doors were not installed correctly by S because S itself accepted the locking mechanisms were not working. Further, it agreed the door knocker was not installed.

While I accept it's possible the further problems Mr M describes were caused as a result of S not installing the windows and doors with reasonable care and skill (and that there therefore was a breach of contract), it seems it is also possible that they were caused by misuse or as a result of the attempted repairs by the handyman. For clarity, I'm not suggesting that is the case, I'm simply highlighting that the evidence as to the root cause of the problems is so severely lacking that all three appear to be a reasonable possibility. Where that's the case, I can't fairly and reasonably say that Virgin Money have acted unfairly in not agreeing to pay for the full repair and/or replacement costs of all the windows and doors in the property, which is what Mr M is seeking is a remedy.

I note also that there seems to be inconsistency across all the repair/replacement quotes as to exactly what needs to be put right. The online quote (which Mr M filled in himself in August 2022 to highlight what components needed fixing) stated the patio doors, the front door and four window locks needed fixing at a cost of £1,350. This is what Virgin Money has agreed to cover the costs of.

Since then, Mr M has provided copies of four further quotes (I understand at least one other additional quote was sent to Virgin Money which I haven't seen) which were:

- (Undated) for 4 windows needing replacing due to 'the warranty being voided', the patio doors and the front door at a cost of £2,100.
- (Dated June 2023) for the replacement of 8 windows, the patio doors and the front door at a cost of £6,895.85.
- (Dated December 2023) for replacing 13 windows and the patio doors at a cost of £4,350.
- (Dated January 2024) for 6 dropped windows being repaired and their locks replaced, the patio doors and front door at a cost of £4,892.90.

What's evident is that none of the quotes can agree on what work needs to be completed or why. One quote appears to list substantially more windows than were originally installed by S. The discrepancy might be because it is listing individual panes of glass, but that is far from clear. Further, it seems that the number of windows needing remedial work increased in 2023 and then reduced again in 2024.

While I don't doubt Mr M is having issues with his windows and doors, I simply don't have anything persuasive to demonstrate that it would be fair and reasonable to direct Virgin Money to pay him more than the £1,350 it has already agreed to pay. I accept there was a breach of contract by S as it didn't complete all the work initially, but I haven't seen anything to persuade me that £1,350 won't cover the costs of putting those things right and fixing the additional three window locks listed in the original repair quote. Further, I've not seen anything persuasive to demonstrate that the other issues Mr M has reported are likely to be as a result of a breach of contract by S and therefore mean that it would be fair and reasonable to direct Virgin Money to also remedy them.

I've also thought about the compensation Virgin Money has agreed to pay as suggested by

our investigator of £250. Having done so, I'm satisfied this is a fair way to put things right.

The claim and complaint did take a long time to resolve and Virgin Money could have provided an outcome sooner and progressed things more quickly. For example, it initially took around three months for Virgin Money to tell Mr M that he needed to provide a report on the condition of the windows. Further, it doesn't appear to have been as proactive as it could have been in trying to contact S for further information. I've also seen that between December 2022 and June 2023 no meaningful progress appeared to have been made by Virgin Money on Mr M's claim.

However, I can see that Virgin Money too was struggling with the same issues I have here, which is a lack of any persuasive evidence as to the root cause of the faults Mr M says he's experiencing. I can see that Virgin Money did try and assist Mr M by offering him options of what he could do to provide the required evidence. While Mr M says he didn't have any joy in pursuing those avenues I can't reasonably hold Virgin Money at fault for that. Mr M also says that Virgin Money wasn't sufficiently clear about what he needed to provide. Having listened to the copies of the calls he's provided and reading Virgin Money's internal notes of contact with Mr M, I don't agree. I think Virgin Money did make it clear to Mr M what it needed him to provide.

Overall, while I think Virgin Money could have handled the claim and complaint better and more efficiently, it was also waiting on Mr M to provide the information and evidence it had asked for. Taking all of this into account, I think a total amount of compensation of £250 for the distress and inconvenience caused by Virgin Money's handling of the claim and complaint is fair and reasonable.

My final decision

For the reasons given above, I uphold this complaint and direct Clydesdale Bank Plc trading as Virgin Money to pay Mr M (if it hasn't already):

- £1,350 representing the repair cost of the windows and doors.
- A total of £250 compensation for the distress and inconvenience caused by its handling of the claim and complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 August 2024.

Tero Hiltunen
Ombudsman