

The complaint

Mr C complains that a hotel room he paid for using his Amazon credit card, issued By NewDay Ltd, wasn't as described.

What happened

In February 2019 Mr C booked a hotel room through a booking website. Before making the booking, he contacted the hotel to explain that he needed a room for three adults and two children. The hotel replied to say that it had one room type that was suitable, which had two queen-size beds and a pull-out couch.

Mr C completed his booking. The booking confirmation showed that he booked a "Queen Room with Two Queen Beds with Balcony – Harbor View" and that Mr C's group comprised three adults and two children. The notes included: "Please note additional supplements (eg extra bed) are not added to this total".

When Mr C arrived at the hotel, he found out that it contained beds for only four people, not five. The hotel was unable to provide a different room or an extra bed. Mr C says he had to sleep on the floor.

Because he paid for the hotel room using his credit card, Mr C contacted NewDay. In some circumstances, a credit card provider is liable in the same way as a supplier of goods or services for breaches of contract or misrepresentations.

NewDay didn't think, however, it was liable in this case. Mr C had made the payment and had received what he and the hotel had agreed. Mr C didn't agree and referred the matter to this service. One of our investigators considered it, but broadly agreed with NewDay. Whilst Mr C had requested an extra bed, the hotel hadn't confirmed that it would provide one. Mr C had booked a room that could accommodate four guests, and that is what was provided.

Mr C didn't accept the investigator's view and asked that an ombudsman review the case.

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.

Having done so, however, I've reached the same overall conclusions as the investigator did, and for similar reasons.

The effect of section 75 of the Consumer Credit Act 1974 is that, subject to certain conditions being met, a customer who has a claim for breach of a contract funded by the credit card can bring a like claim against the card provider. I'm satisfied those conditions are met here. NewDay says however that Mr C has no valid claim for breach of contract against the hotel, because it provided Mr C with a room as it agreed to do.

I can see that Mr C asked about rooms which could accommodate five guests and was told that the hotel did have such rooms. His booking confirmation showed that his party

comprised five people in total. He might therefore have expected the hotel to check his booking and his requirements with him. However, the booking also shows that Mr C booked a room with two queen-size beds only; he didn't book or pay for an additional bed. In my view, he was provided with the room he booked and paid for. In the circumstances, I think it was reasonable for NewDay to take the view that there was no breach of contract and to decline Mr C's claim.

NewDay initially raised Mr C's claim as a chargeback – which is a way of disputing certain card payments through the card scheme. There was however no dispute about the payment itself, in the sense that Mr C made and authorised it. And, as I've explained, it appears that Mr C received the service he paid for. I don't believe therefore that NewDay can reasonably be expected to have done any more in this case.

My final decision

For these reasons, my final decision is that I don't require NewDay Ltd to do anything further to resolve Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 1 February 2021.

Mike Ingram

Ombudsman