

## **The complaint**

Mr B complains that National Westminster Bank Public Limited Company (“NatWest”) hasn’t upheld his claim under section 75 of the Consumer Credit Act 1974 (“section 75”).

## **What happened**

In April 2024, Mr B purchased return flights to Vietnam for him and one other traveller. The purchase was made through an online holiday booking platform (who I’ll refer to as “the platform”). When Mr B arrived at the airport in the UK for his outbound flight in May 2024, he says he was refused boarding by the airline. He says this was because the airline insisted he needed a visa to travel to Vietnam which he didn’t have. Mr B says he didn’t have one because it wasn’t required for a holder of a British passport for the length of his stay.

Mr B requested a refund from the airline as well as compensation for consequential losses for onward travel and accommodation that he had to forfeit due to being denied boarding. He also approached the platform for the same. Mr B didn’t receive a positive outcome from either, so he approached NatWest for assistance in getting his money back.

Soon after, the platform processed a full refund of the airline tickets for Mr B. NatWest then said that it wouldn’t be able to assist him further. It said this was because it didn’t think it had any liability under section 75 to pay Mr B’s consequential losses.

Our investigator didn’t recommend the complaint be upheld. She didn’t think NatWest had acted unfairly in declining Mr B’s section 75 claim and complaint.

Mr B didn’t agree so the complaint has been passed to me for a 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.

I understand NatWest did not attempt a chargeback for the airline tickets. However, as Mr B had managed to obtain a full refund of the airline tickets from the platform, I don’t think it was unreasonable for NatWest to not pursue a chargeback further. I say this because a chargeback could only ever recover up to the amount Mr B paid. It doesn’t provide a mechanism for disputing other consequential losses, which is what Mr B was seeking. Therefore, it was appropriate for NatWest to think about its possibly liability under section 75.

The general effect of section 75 is that if Mr B has a claim for breach of contract or misrepresentation against a provider of goods or services that he paid using his credit card, he can bring a like claim against NatWest (as the provider of the credit). However, there are certain other conditions that need to be satisfied too.

One of those conditions is that there needs to be a debtor-creditor-supplier (“DCS”) agreement. A DCS agreement refers to the arrangements that need to exist between the relevant parties in order to be able to make a S75 claim. The formal wording is set out in

section 12 of the Consumer Credit Act 1974. In summary, it says there needs to be 'pre-existing' arrangements between NatWest and the supplier.

NatWest has said there is no DCS agreement in place because it has no relationship with the airline, who it says was the supplier of the services Mr B is unhappy with. NatWest says it paid the platform and this is who it had a pre-existing relationship with. While I don't disagree that it was the platform NatWest paid, this doesn't mean there was no DCS agreement at all. It paid the platform, so the issue here is whether there was a breach of contract or misrepresentation by the platform, or whether it was responsible for the actions of the end supplier, the airline.

There are several reasons why I don't think Mr B can adequately demonstrate a breach of contract or misrepresentation by the platform. But the main reason is that the platform simply isn't responsible for the airline's decision to deny him boarding. Having reviewed the terms and conditions of the booking, the platform's role was simply to facilitate the purchase of the airline tickets. It did this successfully because Mr B received his tickets and he would have been able to use them had it not been for the airline's decision to refuse boarding.

In other words, the platform fulfilled its contractual obligations to Mr B by providing him with the airline tickets. Further, the terms set out that it would assist Mr B with any attempt to obtain a refund from the airline if there were problems. It did this too and obtained him a full refund. I can't therefore see that it breached its contract with Mr B or promised him something that it didn't deliver.

Mr B says that the platform was acting as agent of the airline in booking the tickets and is therefore responsible for the airline's actions. But I don't think this is correct. I'm not persuaded the platform was acting as the airline's agent for this particular booking. But even if I'm wrong and the platform was acting as agent of the airline, it doesn't follow that the platform would be responsible for actions by its principle (the airline). The law of agency doesn't generally create any liability on the agent, the principle would be responsible for the actions of its agent, not the other way around.

There are some instances where the platform might have additional liability on the performance of a contract by an end supplier, such as where a package holiday had been booked. However, Mr B did not book a package holiday through the platform and so those additional considerations are not relevant here.

Even if my brief analysis of the law on agency is incorrect, I don't think it makes any difference to what a fair and reasonable outcome ought to be in this case. This is because I don't think Mr B has adequately demonstrated any breach of contract by the airline (or the platform) in any event. I say this because it appears his companion traveller did not have a visa already in place to travel to Vietnam. They held an Irish passport and for Irish citizens, I've seen (from contemporaneous advice from the Irish Department of Foreign Affairs and Trade) that for anyone holding an Irish passport: *"All Irish passport holders are required to hold a visa **before** travelling to Vietnam"* (my emphasis).

Mr B appears to accept his travel companion, who held an Irish passport, did not already have a valid visa. This is because he says a visa could be obtained on arrival in Vietnam. However, this does not appear to be the case from the information I've seen on either the Irish foreign travel information which was in force at the time the flights were due to depart (advice dated between October 2023 and May 2024) and on the Vietnamese visa application portal. It appears the airline refused to consider Mr B's claim for a refund of consequential losses on the basis that one of the two travellers did not have the appropriate visa and was therefore correctly denied boarding.

For British passport holders, like Mr B, I've seen that no visa was required for the duration of stay he was planning. While Mr B says that the airline also refused him boarding as it said he didn't have a valid visa, the airline appears to disagree with this. It said it did allow Mr B to fly on his own, but he refused to do so.

What exactly was said I don't think is particularly relevant because I'm satisfied that Mr B's travel companion was correctly denied boarding. Even if the airline incorrectly denied Mr B from boarding (which it disputes), it appears he was unwilling to fly without his travel companion, so he is in no materially different position either way. It seems the reason he was unable to fly was not due to any breach of contract or misrepresentation by the airline or the platform but because not all travellers had the correct documentation to travel.

For these reasons, I'm satisfied that NatWest acted fairly and reasonably when it declined his section 75 claim and complaint.

### **My final decision**

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 April 2025.

Tero Hiltunen  
**Ombudsman**