DRN-5427521

The complaint

Mr K complains that Lloyds Bank PLC has not met his claim arising from the cancellation of flights which he paid for using his credit card. Lloyds Bank trades in this case under the MBNA brand.

What happened

In January 2024 Mr K booked flights for himself and his family for a break in April 2024. He made the booking through a well-known booking platform, which I'll refer to as "B". Mr K paid B over £400 using his MBNA credit card.

When Mr K tried to check in online, he found out that his flights had been cancelled. He was offered alternatives by the airline. He agreed to switch the outbound flight. However, the return flight which was offered would have meant arriving in the early hours of the day after the original booking. Mr K did not want to take the flight because his children had to go to school the same day.

Mr K therefore booked a return flight with a different airline, at a time which was more convenient. The replacement flight cost significantly more than he had paid originally.

Mr K contacted the bank to make a claim under section 75 of the Consumer Credit Act 1974 ("section 75"). MBNA did not accept the claim. It said, in summary, that the airline had been responsible for the cancellation of the flights, but payment had been made to B. It concluded that section 75 did not apply, because Mr K's claim for breach of contract was not against the party which took the payment.

Mr K referred the matter to this service. One of our investigators considered what had happened, but did not recommend that the complaint be upheld – for broadly the same reasons as the bank had given. Mr K did not accept the investigator's assessment and asked that an ombudsman review the case. In doing so, he said that B should have told him about the flight cancellation.

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 complaint here is that the bank did not agree to meet a claim under section 75. It says:

75 Liability of creditor for breaches by supplier.

(1) If the debtor under a debtor-creditor-supplier agreement falling within section 12(b) or (c) has, in relation to a transaction financed by the agreement, any claim against the supplier in respect of a misrepresentation or breach of contract, he shall have a like claim against the creditor, who, with the supplier, shall accordingly be jointly and severally liable to the debtor.

…

A "*debtor under a debtor-creditor-supplier agreement*" involves three parties: a debtor or borrower, which includes a debtor under a credit card agreement; a supplier of goods or services, or both; and a creditor or lender, which can include a credit card provider.

I must therefore consider the position of the parties in this case.

The "creditor" was clearly the bank, since it issued the credit card by which the payment was made. And Mr K, as the card holder, was the "debtor". In order for section 75 to apply, Mr K must show that he has a claim for breach of contract or misrepresentation against the business which took the credit card payment. In this case, that is B.

In respect of the provision of flights, B's conditions included the following:

"***E2. Contractual relationship***

1. Most Flights on our Platform are provided via a Third-Party Aggregator, which acts as an intermediary to the airline(s).

2. When you make a Booking, it's directly with the airline. We're not a 'contractual party' to your Booking. When booking, you enter into (i) an Intermediation Contract with the Third-Party Aggregator (for the ticket) and (ii) a Contract of Carriage with the airline (for the Flight itself).

…"

The intermediary (or Third Party Aggregator) in this case was a company which I'll call "G". It managed the flight bookings under its own set of terms and conditions. And Mr K had a separate contract with the airline.

In my view, B made clear that it was not responsible for the provision of the flights. That was the role of the airline, with which Mr K had a separate contract. Nor was B responsible for the provision of the flight tickets or other aspects of the management of the booking; that was the responsibility of G. B's role was primarily to take and process the payment and to provide a platform for the booking.

Mr K says that B agreed to notify him of any changes to the booking. He has referred to the following:

"***3.4 Timetable changes and cancellation by airlines***

> *3.4.1 Your agreement with the applicable airline may allow them to cancel or amend your bookings. We will notify You of any changes once We are informed of them by the airline.*
>
> *If You wish to request a change or cancellation refund, as an additional own service, We offer to handle the request on your behalf if permitted by the conditions of the airline. Please note that the airline's change fees may apply*."

That is however an extract from G's terms and conditions, not B's. I am not persuaded that B was under any duty to tell Mr K about the changes. But, even it had been, I do not believe that any failure to do so or delay in doing so resulted in the loss which Mr K has suffered as a result of the cancellation of the flights.

It is not for me to say whether Mr K does in fact have a claim against B – or indeed, the airline or G. Nor is it for me to decide whether he has a claim against MBNA under section

75. What I must do is decide what I consider to be a fair resolution of his complaint about MBNA's decision to decline his claim. In the circumstances, however, I think MBNA's conclusions about the section 75 claim were reasonable.

My final decision

For these reasons, my final decision is that I do not uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 27 May 2025.
Mike Ingram
Ombudsman