

The complaint

Mr K complains that Barclays Bank UK PLC trading as Barclaycard has treated him unfairly in relation to its obligations with regard to a payment he made using his credit card.

What happened

In September 2024, Mr K approached a booking agent, who I'll call H, to discuss the booking of a holiday. Mr K said he had some specific requirements of the holiday, namely 5-star accommodation, the ability to have appropriate catering to meet Mrs K's dietary requirements, a warm location and the ability to go to the sea and participate in light water sports. H provided Mr K with information, and the booking was made at a cost of £5,444 which was paid using Mr K's Barclaycard credit card. The holiday was to take place between 19 and 29 November 2024 and was supplied by another travel agent, who I'll call T.

Mr K states that when he returned home, he did some research on the hotel selected and found reviews and information which suggested the hotel was 3-star and as complaints had been made about the food, he felt the dietary requirements would not be met. This had the effect that he felt the holiday had been mis-sold to him. He returned to H to discuss but it only offered the option to change hotel. Making this change would incur a high administration fee, so Mr K says the matter was not resolved.

Mr K then approached Barclaycard in October 2024 to raise a payment dispute. Barclaycard reviewed the matter and advised that it could raise a chargeback dispute, but the response would not come back before the holiday started and based on the information available the dispute was unlikely to be successful. Barclaycard offered £1,000 so that Mr K could dine out if required when he reached his holiday destination and this offer was accepted.

Mr K then went on the holiday. In addition to the hotel not being 5-star and failing to cater to Mrs K's dietary requirements, Mr K said he experienced the following issues:

- They were not met by a representative of T at the airport or hotel.
- The first room they were allocated had a blood stain on the curtain and the curtains would not close. They were offered a room change, apology and complimentary wine however they were already on an all-inclusive package.
- The second room did not have any complimentary hand soap or shampoo, and the hotel were unable to supply this as they had run out.
- The second room had a broken balcony door handle and mould appeared on the walls overnight. Mr K attempted to contact T for assistance, but staff did not attend pre-arranged appointments.
- The buffet food was inedible and so the manager at the hotel encouraged them to try out an Indian restaurant. The restaurant ran out of poppadom's and rice and the hotel ran out of beer on 20 November 2024.
- The hotel provided Mr K with an upgraded room on 21 November 2024 but tried to get him to sign a release covenant, which he refused to do.
- On 22 November 2024 the hotel ran out of tomatoes, bananas and plantain for four days.
- On 26 November 2024 brown water started coming from the tap and the toilet became backed up.

- On 28 November 2024 the toilet became backed up again.

On his return from holiday, Mr K contacted Barclaycard to reinstate his dispute and included information about the issues experienced as listed above. Barclaycard considered the dispute and said it didn't think a chargeback was likely to be successful, so it moved on to consider the claim under Section 75 of the Consumer Credit Act 1974 (Section 75). It said the booking confirmation does not show any dietary requirements, and the matter of cleanliness and fixtures is subjective so it couldn't agree there had been a breach of contract. Barclaycard did, however, offer £275 (5% of the cost of the holiday) to Mr K.

Mr K brought his complaint to our service. Our investigator said she didn't think Barclaycard had acted unfairly in declining to raise a chargeback dispute. On Section 75 she said she could only consider whether there was a breach of contract or misrepresentation in relation to booking services provided by H. She said we cannot consider issues with the hotel as these were the responsibility of T and the appropriate debtor-creditor-supplier (DCS) relationship is not in place for us to consider those concerns. Based on what she had seen, our investigator did not find any breach of contract or misrepresentation she could hold Barclaycard liable for under Section 75 for errors made by H in its limited capacity as a retailer. Our investigator therefore found the offer made by Barclaycard to be reasonable in the circumstances.

Mr K disagreed and asked for an Ombudsman to consider his complaint. So, it has now been passed to me to decide.

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 would like to start by saying that I have provided a brief summary of the events that occurred above. I intend no discourtesy by this and can assure both parties that I have taken all the information provided into consideration when reaching a decision on this complaint.

In this decision, I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. Our rules allow me to do this, and this reflects the nature of our service as a free and informal alternative to the courts.

Chargeback

Chargeback is a voluntary scheme under which settlement disputes are resolved between card issuers and merchants, under the relevant card scheme. A card issuer will review the claim against the possible reasons for a chargeback and look at whether it would be able to make a successful claim for the customer. Card issuers do not have to submit claims and usually will only do so, if it is likely to be successful. We don't expect them to raise a claim if there is little prospect of success.

When Mr K originally brought his concerns to Barclaycard, it considered whether to raise a chargeback dispute and due to the booking confirmation not containing information about the dietary requirement, and the subjective nature of the star rating information Mr K had provided, it concluded the dispute was unlikely to be successful. It did, however, offer to pay Mr K £1,000 so he could eat out when he was abroad.

Based on the information available, I find the action taken by Barclaycard to be reasonable. The main concerns Mr K had at this stage were firstly that the hotel was not 5-star. The

evidence provided by Mr K shows a google rating of 3-stars. There are many factors that can influence ratings including different travel agencies using different criteria for their star ratings and other platforms including ratings which are user-generated. This can cause discrepancies in the ratings depending on where you look as so I find it difficult to agree that based on this, the dispute would have succeeded.

The other concern that Mr K had at this time was that he was unsure Mrs K's dietary requirements would be met. I've reviewed the booking paperwork and cannot see this matter was specified. In addition, without having had the holiday, it would be pure speculation as to whether the need would be met or not at this point in time. So, for these reasons, I find the dispute had low prospects of success at this time and it was reasonable for Barclaycard not to have raised the dispute.

On Mr K's return from the holiday, Barclaycard maintained it would not raise a dispute due to low prospects of success. Even if some aspects of the hotel were not as described, the scope of a chargeback dispute can be limited. As Mr K went on the holiday, stayed for the duration of it, and the hotel made accommodations for issues experienced, I find the dispute continued to have low prospects of success, so I don't find Barclaycard treated Mr K unfairly in relation to the chargeback disputes.

Section 75

Section 75 allows – in certain circumstances - for a creditor (Barclaycard) to be jointly and severally liable for any claim by the debtor (Mr K) of breach of contract or misrepresentation made by a supplier of goods and/or services (T). Before the claim can be considered, there are some technical requirements which need to be met. Section 75 says:

“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.”

Put simply, this means the person who owns the credit card account needs to have a claim for breach of contract or misrepresentation against the company which was paid using the credit card.

In this particular case, Mr K paid H who are a disclosed agent for the principal suppliers. H passed the funds on to T who are the suppliers of the holiday. The DCS relationship required for the claim to be considered under Section 75 is therefore broken and any issues which T as the supplier is responsible for cannot be considered. This includes all issues that Mr K experienced with the hotel on arrival and with the service provided by agents of T.

The only matter that falls outside this, is any obligations H had to Mr K as the agent who performed the booking. The scope here for a successful breach of contract claim is extremely limited and I cannot see any reason why such a claim would succeed on this complaint. I have therefore focused on misrepresentation.

Mr K states he advised his requirements were 5-star accommodation, the ability to have appropriate catering to meet Mrs K's dietary requirements, a warm location and the ability to go to the sea and participate in light water sports. I understand he feels he did not receive the first two of these. Although I appreciate his depth of feeling on this, I cannot agree on the star rating matter for the reasons explained above under 'chargeback'. With regard to the dietary requirements, I do not find there is sufficient evidence to show that a representation was made about the catering that induced Mr K to enter the contract, which turned out to be false. I say this both because the booking documents do not confirm any dietary needs and

also because of the lack of information surrounding how the requirement was not catered to.

Therefore, based on the information available, I find that Barclaycard have handled the claim fairly and reasonably and I am not recommending this complaint be upheld. Barclaycard has offered £275 to resolve the complaint and I find this to be reasonable in the circumstances.

My final decision

My final decision is that I do not uphold Mr K's complaint against Barclays Bank UK PLC trading as Barclaycard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 16 October 2025.

Vanisha Patel
Ombudsman