

## The complaint

Mr S has complained about the way National Westminster Bank Public Limited company ("NatWest") dealt with a claim for money back in relation to a packaged holiday he paid for with credit it provided.

Mr S's credit card was originally with a different provider, but NatWest is now responsible for responding to this complaint, so I'll refer to NatWest as the credit card provider throughout this decision.

## What happened

In January 2025, Mr S used his NatWest credit card to pay for a packaged holiday through a booking agent I'll refer to as T. The package included flights and hotel and cost £7,005.04. The holiday was to commence on 14 February 2025 and end on 21 February 2025.

Mr S says he booked the holiday due to its Platinum 5\* rating but a few days into the holiday he realised that the Platinum status of the hotel had been removed. He complained to T at the time, as well as highlighting some service issues, but was asked to take pictures of the issues he was unhappy with. Mr S didn't want to spend his holiday taking pictures of service failings so didn't provide this and says T didn't provide him with a satisfactory solution. Whilst T did offer Mr S modest levels of compensation - he rejected this. Mr S was also unhappy with a number of reasons but stayed at the hotel for the full duration of the trip.

Once he returned from his holiday, he complained to T that he felt the holiday had been misrepresented to him as a Platinum 5\* hotel but that's not what he was given. Additionally, he felt the hotel downgrade and the service levels of the hotel was not what was described so he felt there had been a breach of contract. Amongst other things he complained of a leaking roof, general cleanliness being poor, poolside bar being dirty, restaurants had poor service, unavailable menu items, long waiting times during check in and the toilets were unsanitary.

T explained that the Platinum status of the hotel is based on consumer reviews and wasn't changed until the 18 February 2025 when he was already on holiday. The change in the status also didn't mean there was an immediate change to the level of service offered. But due to his unhappiness, it made a final offer of £530 compensation.

Unhappy, Mr S contacted NatWest to make a claim under section 75 of the Consumer Credit Act 1974 (s.75). He said the holiday had been misrepresented to him, and the offer of £530 was not proportionate given the significant sums he'd paid for a luxury holiday. NatWest declined Mr S's claim for much the same reasons as T. It said Mr S hadn't provided sufficient evidence of the sub-par service levels claimed, that the Platinum rating is based on consumer reviews which were subjective so not evidence of low standards or breach of contract. As the change to the rating happened during his stay, T wasn't obligated to notify him of the change.

Mr S decided to refer his complaint to the Financial Ombudsman. He re-iterated his earlier points that the Platinum rating of the hotel was key to his reason for booking this hotel and

without which he wouldn't have booked it. He added that the change in rating was not disclosed before he travelled, that the downgrade affected the nature and value of the experience.

Our investigator looked into things and felt that as the Platinum status of the hotel was changed during the holiday, it wasn't misrepresented to him when he booked and paid for the hotel. And there wasn't sufficient evidence of a breach of contract as there was nothing to show the removal of the status lowered the service standards actually provided to Mr S. He added that there were aspects of the package which were unaffected by the status of the hotel such as the flights. He felt that the £530 offered by T was a fair way to resolve the complaint.

Mr S didn't agree. He felt it wasn't fair to expect him to spend his holiday taking pictures of the things he was unhappy with as evidence and T should also be expected to provide evidence – explaining why the downgrade happened. He did submit video footage of the roof leaking and said the hotel was substandard and the downgrade affected his holiday. He felt the hotel was a core element of the package, and whilst there may have elements that were unaffected, the central component being sub-par, materially affects the overall package – making the offer of £530 insufficient relative to the breach.

Our investigator forwarded the video footage to NatWest who confirmed that whilst it hadn't previously reviewed the footage, its position remained unchanged. It felt T's offer was fair in the circumstances, and if T does withdraw the offer, it would honour it to bring the matter to a close.

Our investigator explained his view remained unchanged, so as things weren't resolved the complaint has 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.

Firstly, I'd like to reassure Mr S, that I have considered all his concerns carefully, but I will only be dealing with the most salient parts of the complaint in this decision as I'm required to decide matters quickly and with minimum formality.

I would add that I understand how disappointed Mr S must feel given he's paid significant sums for a holiday and can appreciate how dissatisfied he feels that it didn't match his expectations. But it may be helpful to explain that I need to consider whether NatWest – as a provider of financial services – should offer a remedy in response to his claim under s.75. But it's important to note NatWest isn't the supplier. S.75 is a statutory protection that enables Mr S to make a 'like claim' against NatWest for breach of contract or misrepresentation by a supplier when goods or services were bought using a credit card.

But it's important to note that NatWest isn't T and isn't responsible for everything that might've gone wrong with the holiday. NatWest is only liable to offer a remedy if Mr S can establish with evidence that there has been a breach of contract or misrepresentation – not for poor customer service or the holiday not meeting a customer's expectations.

There are certain conditions that need to be met for s.75 to apply. From what I've seen, I think those conditions have been met and NatWest doesn't appear to dispute this.

It may be helpful to explain that there are consumer rights laws and regulations that underpin contracts like this which I've taken into account such as the Package Travel and Linked

Travel Arrangements Regulations 2018 (PTR) as well as The Consumer Rights Act 2015 (CRA).

### Misrepresentation

To make a claim for misrepresentation, Mr S would need to evidence that the holiday had been misrepresented to him and that this caused him to suffer loss. We generally assess cases using the definition of a misrepresentation as, an *untrue* statement of fact or law made by one party (or his agent) to a second party which induces that second party to enter the contract, thereby causing them loss.

Mr S was sold this package on the basis that the hotel was a Platinum 5\* rated hotel in January 2025, but at that time the hotel was a Platinum 5\* rated hotel. So, at the time he was informed of this, and was induced into the contract, the statement that the hotel was a Platinum 5\* rated hotel wasn't *untrue*. So, this doesn't amount to a misrepresentation.

A misrepresentation would be if, once the rating changed on 18 February 2025, T continued to advertise and sell the hotel on the basis that the hotel had maintained its Platinum rating – which would be untrue. But that's not what happened in Mr S's case.

At the time of purchase and the time he commenced his holiday, the hotel was a Platinum 5\* rated hotel, the rating changed during his stay, so this isn't evidence of a misrepresentation that induced him into the contract

I would add that as Mr S stayed at the holiday and used the services, this could impact what he could fairly claim for. I appreciate that given Mr S was already on holiday, it would have been difficult for him to return once he realised the Platinum rating had changed, but by doing so I think there are some concerns that he affirmed the contract. I think even if there were a misrepresentation, it is impossible to unwind the contract because the service was largely "performed". So, on balance I don't think NatWest could fairly have agreed to the usual remedies where a misrepresentation occurred. So, I don't think NatWest was incorrect not to uphold his claim on the basis that the holiday had been misrepresented to him at the time of sale.

However, Mr S may have had a right to claim for a breach of contract which he could claim damages or a price reduction for if the services received weren't performed to a reasonable standard, so I've therefore gone on to consider his claim for breach of contract.

## Breach of contract

In order to uphold Mr S's s.75 claim on the basis that there has been a breach of contract, Mr S would need to evidence that T breached a term of the contract – and that caused him to suffer loss. He would have to show that either, there was a breach of an express term of the contract (such as a specific written term that had been breached) or whether there has been a breach of an implied term. The Consumer Rights Act 2015 (CRA) for example, implies terms into the contract that services must be performed exercising reasonable care and skill.

Initially, I'll deal with Mr S's dissatisfaction that he wasn't informed prior to the start of his holiday that the rating had changed. He said he wouldn't have booked this holiday if he'd known it wasn't a Platinum rated hotel. As explained by T, the Platinum status is based on consumer reviews so if a certain percentage of customers do not give the hotel an adequate rating, the hotel would lose its Platinum rating. This happened on 18 February 2025, but Mr S's holiday had already commenced on the 14 February 2025.

Under the PTR's where there is a significant change to the package prior to the commencement of the holiday, businesses such as T must inform consumers of the change and offer a range of options such as alternative hotels or refunds. But these rules aren't applicable to holidays that have already commenced. So, T wasn't obligated to inform Mr S of the change, and this doesn't amount to a breach of contract for which NatWest would now be liable to remedy.

As explained above, in order to make a claim for breach of contract, Mr S would need to establish there was a breach of contract with evidence before NatWest would be obligated to offer him a remedy. So, he'd either need to show with evidence that an express term was breached, for example, specific facilities noted on his booking form weren't available (such as a beach or a pool), or an implied term had been breached such as the services provided weren't performed exercising reasonable care and skill.

My concern with Mr S's submissions is that while I fully appreciate that he shouldn't be expected to spend his holiday collecting evidence in the form of pictures of everything he was unhappy with, as he is making a claim, the onus is on him to evidence that claim. S.75 is a legal claim and cannot be upheld solely on consumers belief that the hotel was sub-par. Quality is subjective, so it's not unreasonable for NatWest to require sufficient evidence that the service fell below a reasonable standard expected given the price paid.

And as explained above, the Platinum 5\* rating given to hotels, is based on consumers reviews of their stay which can fluctuate depending on what customers experience during their stay and is subjective. The change in status doesn't automatically mean that the service Mr S received fell below a reasonable standard which would be required to uphold his claim.

The evidence Mr S has provided is mainly his testimony that the hotel was sub-par, his belief that the loss of Platinum rating means the standards were automatically affected. I can see the roof was leaking but this alone doesn't show the entire hotel was below standard. For example, I haven't seen evidence that the facilities, amenities offered weren't provided, that Mr S and his family didn't make use of the hotels accommodation and food and drink and other facilities. While I understand why Mr S didn't take pictures and video evidence of the issues he felt made the hotel of lower standard than expected, or that services weren't performed exercising reasonable care and skill, I don't think it's unreasonable that NatWest required evidence to support his claim.

NatWest has added that even if Mr S was able to establish the service fell below a reasonable standard, he wouldn't be entitled to a full refund bearing in mind that he used all the services sold as part of the package, so at most he'd be entitled to a price reduction. And given he's got insufficient evidence to corroborate some of the claims, based solely on his submissions, a price reduction of £530 seems fair.

I don't doubt that there was some customer service issues based on what Mr S has said, but I haven't seen sufficient evidence that these failings amount to a breach of contract. Based on this, T's offer (which NatWest said it will honour if T doesn't), of £530 for the impact that these issues have had on Mr S, I agree is a fair way to put matters right, and I don't order it to do anymore.

I want to make it clear that I'm not saying that things didn't go wrong and Mr S didn't experience the customer service issues he's mentioned. I appreciate when consumers pay such significant sums for a holiday, it can be extremely disheartening when the hotels don't meet a consumer's expectations. But s.75 is a limited claim, and NatWest isn't obligated to offer a remedy purely because Mr S was unhappy with his stay. It would only be liable to offer a remedy if Mr S was able to provide sufficient evidence that there had been a breach of contract or misrepresentation. And I don't think it's unreasonable to conclude that Mr S hasn't met the evidential requirements needed to enable me to uphold this complaint and make a finding that NatWest didn't correctly deal with his claim.

Overall, I appreciate Mr S's dissatisfaction, but under a s.75 claim, the onus is on Mr S to provide evidence that T has breached the contract, or misrepresented the hotel to him, and NatWest is therefore liable to remedy it. Based on what I've seen, I don't think it was unreasonable for NatWest to decline this claim, so I don't uphold this complaint. If Mr S would like to accept T's offer, he can contact T to arrange payment, but I don't think NatWest needs to do any more in response to the claim at this stage.

I should also point out that Mr S doesn't have to accept this decision. He can pursue the matter by more formal means such as through the courts.

### **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 S to accept or reject my decision before 4 December 2025.

Asma Begum  
**Ombudsman**