

The complaint

Ms E complains that Barclays Bank UK Plc trading as Tesco Bank didn't do enough to help her when she told it about a dispute she had with a merchant, over services paid for using her Tesco Bank credit card.

What happened

In April 2025 Ms E purchased tickets for a day trip to take place whilst on holiday. Ms E paid for the tickets using her Tesco Bank credit card and she says the total cost was £73.64. She purchased the tickets through a third-party website advertising a number of different attractions and tours. I'll call this merchant "D".

Ms E and three others went on the day trip on 3 May 2025, but were disappointed with the service provided. Ms E says although it involved hiking, the main reason they went was to go swimming. However, during the trip they were told swimming wouldn't be allowed. Ms E was also unhappy that there was no air conditioning on the coach transport.

D responded to Ms E's complaint saying, in line with its terms and conditions, it wouldn't offer a full refund. However, it did offer Ms E the cost of her ticket which was £18.41.

Unhappy with D's response, Ms E raised a dispute with Tesco Bank. Tesco Bank considered the dispute but didn't think she had a reasonable prospect of success under the chargeback scheme. It also explained that she didn't meet the financial limits to qualify for a s.75 Consumer Credit Act 1974 (CCA) claim. Ms E complained to Tesco Bank about its dispute response and it replied maintaining the same position. So the complaint was referred to our service.

An investigator considered the complaint but didn't uphold it. They agreed the cost was below the financial limits for a s.75 CCA claim. They also thought Tesco Bank acted fairly when handling the chargeback claim, as they agreed the chargeback was unlikely to be successful.

Ms E disagreed and so the complaint was passed to me to consider.

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, I'm not going to uphold this case. I appreciate that this will be disappointing for Ms E.

I've read everything that the parties have said, but 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. And our rules allow me to do this. This reflects the nature of our service as a free and informal alternative to the courts.

In order to try to recover the funds paid, Tesco Bank could have raised a chargeback or considered whether it had any liability under a s.75 CCA claim.

s.75 CCA claim

When something goes wrong with goods or services and the payment was made, in part or whole, with certain types of credit, it might be possible to make a s.75 CCA claim. This section of the CCA says that in certain circumstances the borrower under the credit agreement can make a like claim against the credit provider, as they can against the supplier, if there's been a breach of contract or misrepresentation.

However, in order to be eligible to make a s.75 CCA claim, a number of criteria needed to be met. One of which is the cash value of the goods/ services purchased must be more than £100 (s.75(3)(b)). It also specifies that this is the cash price for a single item. Given the individual cost per ticket was under £100, Ms E cannot make a s.75 CCA claim. I can see Tesco Bank explained this to her and so I don't think Tesco Bank has treated her unfairly in this regard.

Chargeback

A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. It allows customers to ask for a transaction to be refunded in a number of situations, some common examples being where goods or services aren't provided, or where goods or services aren't as described.

There's no automatic right to a chargeback; the chargeback process doesn't give consumers legal rights; and chargeback is not a guaranteed method of getting a refund because chargebacks may be defended by the merchant. This is because the rules, set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed. If a financial business thinks that a claim won't be successful, it doesn't have to raise a chargeback. But where there's a reasonable chance of success, I'd expect a financial business to raise a chargeback.

The basis of Ms E's argument is that the service wasn't as described. Typically, with a chargeback of this nature, if the service is utilised it is unlikely that the claim will be successful. Tesco Bank argued that without an itemised cost for each part of the day trip it was unable to raise the chargeback for the correct amount. I accept that this would have made it more difficult, however I don't accept the chargeback rules expressly require this.

However, I think the claim was unlikely to be successful in any event. Whilst I appreciate Ms E's argument that the main reason she and her party booked this trip was for swimming, I don't think this is supported by the information she has provided. The booking page emphasised that this trip was a lake and "Mountain Hiking Tour". The itinerary includes a photo stop at a canyon, hiking and trip to the mountain. In the detail about the trip it expressly states that swimming in the lake is forbidden (which may be why Ms E says she was told this). In addition, under what to bring there is no mention of swimming costumes or towels. I accept that the detail of the itinerary says that "*you can have a splash and paddle*" in the river as swimming in the river is possible. And at the start of the booking page it also states they will "*finish the day with a refreshing swim in the river*". However, I think the key features that are advertised are the hike and the views. And I'm mindful that the booking page says the itinerary is subject to change. I've also noted that whilst her ticket referenced swimming, this was sent after she paid for the day trip so wouldn't have been something she relied on when making the booking.

Taking all this into consideration, whilst I accept swimming was advertised on the booking webpage as something which took place towards the end of the day, I don't think it could reasonably have been the main attraction for the day. So, I'm not persuaded that this was the sole or main reason Ms E and her party booked the day trip. I'm also mindful that Ms E and her party went on the trip and had access to everything else the day trip offered. And that D has given her a partial refund of 25% of the cost of the four tickets. I appreciate that she may be disappointed that the swimming did not happen as she says. However, overall I think it's unlikely that this chargeback had a real prospect for success as Ms E and her party utilised the vast majority of the service offered. So I don't think Tesco Bank acted unfairly in the handling of this claim.

I appreciate Ms E has said there also wasn't air conditioning in the coach, however this has been disputed by D. In any event, even if air conditioning wasn't available, this was unlikely to impact the outcome of the chargeback. As I've explained above, I think Ms E and her party utilised the vast majority of the trip and so the chargeback would have had little prospect of success.

My final decision

For the reasons explained above, I don't uphold this complaint against Barclays Bank UK PLC trading as Tesco Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 21 October 2025.

Claire Lisle
Ombudsman