

The complaint

Ms H complains about the way that Tesco Personal Finance Limited trading as Tesco Bank ('TB') handled a claim she made to it.

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

Ms H went on a trip with her mother and father. During the trip her father was injured and had surgery. In September 2023 Ms H used her TB credit card to pay a supplier ('the supplier') £7,400 for medical assistance in transporting her father home. And an additional £2,180 for flights for Ms H, her father and mother.

Ms H says her wife contacted the airline ('the airline') which was tasked with taking them home to find out its policy on post operative passengers. Ms H said her wife found out that the airline's policy was to fly passengers who were 10 or more days post-surgery. Ms H says her father was due to fly 8 days post-surgery so her wife called the supplier to query this. Ms H says it told her that this would be fine, they have been doing it for years, and as long as there was medical assistance with them it would be OK.

Ms H says that when they got to the airport the airline would not let them board due to her father's post-surgery status. She says the supplier then wanted more money for replacement flights which was refused. As a result the supplier cancelled its contract without a refund. Ms H and her family were eventually repatriated through travel insurance instead.

Ms H says the supplier breached its contract. She approached TB for help with getting a refund. It did not progress a chargeback claim and said it didn't have sufficient documented evidence to prove the supplier had breached its terms and conditions.

Ms H referred the matter to this service and complained. As a result TB looked into a claim under Section 75 of the Consumer Credit Act 1974 ('Section 75'). It said that it could only look at any loss suffered by Ms H and not her family. It offered her a partial refund of the flight costs (£726.67) and said it paid her £100 compensation for not considering a Section 75 claim sooner.

Ms H asked for our investigator to look into things. Our investigator thought TB had acted fairly and was not obliged to do more.

Ms H has asked for the matter to be looked at by an ombudsman for a final decision.

I issued a provisional finding which said:

What I've provisionally 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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

I am sorry to hear about the issue with the repatriation service offered by the supplier. I am also sorry to hear about Ms H's father's health and wish him well for the future.

It is worth noting here that TB is not the supplier of the repatriation service. So when looking at what is fair I consider its role as a provider of financial services – and what it reasonably could have done to help with the information that was reasonably available to it at the time. As Ms H used a credit card to pay for the service in dispute I consider the protections of chargeback and Section 75 of the Consumer Credit Act 1974 ('Section 75') to be particularly relevant here.

My outcome is going to disappoint Ms H. However, I underline that my decision here does not mean that a contracting party is unable to take other action against the supplier (such as through court) if they wish to. That is not a matter for me to advise on.

Chargeback

A chargeback can be a way of recovering money for issues with purchases on a card. However, it is not guaranteed to succeed and is subject to the particular rules of the chargeback scheme (Mastercard here). Despite this, it is often good practice to raise a chargeback if it has a reasonable prospect of success.

TB did not appear to raise a chargeback here. And after considering things carefully, I don't think this was unreasonable. I say this due to the specific nature of the dispute.

On the face of it the dispute as presented is for a service not provided which is a valid reason code under the chargeback scheme. However, the medical assistance service and flights were technically provided by the supplier and available to use - but could not be utilised due to Ms H's father's post operative status and the policy of the airline. Who is at fault for that is contested. I am aware it is Ms H's contention that the reason the service couldn't be used was because the supplier didn't act with due care and skill – but that is not an allegation that fits well into a chargeback dispute for a service not provided. It is more suited to something like Section 75 where consumer rights legislation can be considered. So I don't think TB would reasonably have been expected to pursue a chargeback here.

For completeness, I don't think that TB should have considered this as a dispute for a 'refund not provided' either based on the allegations made, but also because there does not appear to be a relevant contractual provision entitling the customer to a refund in the circumstances here.

In any event, if the circumstances did arguably suit a chargeback reason code – based on its email correspondence the supplier would likely be defending itself. Which means the matter would likely have had to be progressed to final arbitration by the card scheme. It is difficult to say how the card scheme would view things. And I think, noting the nature of the scheme there are arguably some wider issues here as to how much reliance it would place on Ms H's account of what the supplier said on the phone to her wife in the absence of any written assurances, along with the

apparent lack of specific documentation given to TB at the time from the airline confirming the reason for denied boarding.

In summary, I don't consider TB was acting unfairly here in not progressing a chargeback. And even if it were to raise one – I am unable to say it is more likely than not to have succeeded in any event.

Section 75

Section 75 in certain circumstances allows Ms H to hold TB liable for a 'like claim' for breach of contract or misrepresentation in respect of an agreement by a supplier of goods or services which is funded by the credit card.

However, certain technical requirements need to be met for Ms H to have a claim against TB. One of those is that there is the requisite 'Debtor-Creditor-Supplier' agreement that gives rise to a claim for the specific breach or misrepresentation being alleged by Ms H.

Unfortunately, I don't think the necessary DCS agreement is in place here. Although Ms H paid for the medical repatriation for her father she did not appear to contract with the supplier for it. My starting point is that the customer for this sort of personal service relating to individual medical needs is usually the patient being repatriated and cared for. So there is an argument that anyone agreeing to the service is only doing so on behalf of Ms H's father – and that he is ultimately the contracting party here as the patient. However, that aside, I note that the supplier's quotation (that was accepted) is addressed to Ms H's wife (who appears to have conducted the negotiations with the supplier via email and phone). And it is signed by her mother. So even if I were to accept that someone other than Ms H's father was contracting with the supplier for the medical repatriation service here – it would be these individuals and not Ms H.

It follows that although Ms H paid the supplier using her credit card, as she was not contracting with the supplier for medical repatriation services for her father – she has no 'like' claim against TB for breach of contract or misrepresentation in respect of those services. I make this finding aware Ms H is a carer for her parents – but I don't think that changes things here in respect of her claim against TB. So I don't think TB would have been acting unfairly by declining her claim on this basis.

I note part of the service from the supplier was also booking the return flights – which was paid separately to the medical repatriation service, again by Ms H (and not covered by the initial quotation). From the email correspondence I have seen it seems that it was Ms H's wife who agreed to this service with the supplier too. Although I accept there does not appear to be a formal quotation in this instance signed by anyone so Ms H might argue it was her that contracted. However, in any event I don't think this makes a difference to whether TB should have upheld the claim. I say this because this aspect of the contract appears to have been fulfilled. The flights were booked and supplied. The claim here centres on the alleged lack of skill and care by the supplier in respect of the agreement for medical repatriation (which as I have explained – Ms H has no valid claim against TB in respect of).

I am sorry to disappoint Ms H here. I know the matter was very stressful for all concerned. Ms H is free to enquire with TB about accepting its offer of a partial refund– but for the reasons above I won't be directing it to pay that here.

I note that TB said it paid Ms H £100 for the delay in raising the Section 75 claim. I agree that TB did make an error in not raising a Section 75 claim initially – and it would have caused inconvenience and frustration in delaying this. These awards are not a science but after considering the guidance on our website around awards for distress and inconvenience I think £100 is broadly fair. If Ms H hasn't been paid the £100 she should let me know and I can direct TB to pay it in my final decision. But as it appears to have been paid I won't.

Finally, it is important to underline that my role is only to look at the actions of TB in handling the claim presented to it based on the specifics around chargeback and Section 75. It is not a determination as to any alleged wrongdoing by the supplier here.

My provisional decision

I don't uphold this complaint.

Ms H says she does not accept the decision. In summary she says:

- It was her (and not her wife) who agreed to the flights. Her wife was just a go between. She paid for the service and she did not give her wife her credit card details to book.
- I seem to be implying the supplier who booked the flight supplied the service and it is not their fault they didn't board the plane.
- The supplier is at fault for booking flights even though they were reasonably aware of the airline's post operation rules. So it can't be said they have fulfilled their obligations to get them on a flight when they knew it was highly unlikely they would be allowed to board it.
- She relied on the supplier's expertise around repatriation rules to seek the correct flights but they delivered flights which were unavailable to her party. They knowingly supplied flights which were not fit for purpose and wasted their money. This was not a lack of skill and care - it was negligent.
- She does not agree that the contract was fulfilled. It was never fulfilled from the moment they booked the flights.

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.

Neither party has given me cause to change my provisional findings – which I still consider fair for the reasons already given (above). These findings now form my final decision alongside the points below:

I think it clear that the core of this claim relates to Ms H's father being refused boarding and the dispute over who is at fault for that. Essentially the allegation made to TB is that the repatriation was not carried out in the manner Ms H says it should have been. While I accept the term 'negligence' is not out of place for what Ms H is alleging, ultimately from a Section 75 breach of contract perspective this will centre on whether the contract for repatriation was carried out with reasonable care and skill by the supplier.

However, it is important to note my provisional finding was not implying or saying that the supplier did (or did not) act without reasonable skill and care which led to Ms H's father being refused boarding. It isn't something I have gone into because fundamentally TB is not liable to reimburse Ms H for this under Section 75 in any event because Ms H was not party to the contract for repatriating her father. I have already gone into some detail as to why this is the case in my provisional finding. So I won't repeat it here.

Ms H has recently focused on the agreement for the flights which she says she was the contracting party for. I don't think Ms H has shown persuasive evidence she was contracting with the supplier for these. The circumstantial evidence (such as correspondence) indicates it was her wife who agreed this with the supplier and Ms H contacted it to pay. Ms H providing means to pay (even if she does this herself) does not in itself make her a contracting party. However, as I have already said – even if she were contracting for the flight booking I do not consider this changes things here in any event. Ms H was unfortunately unable to benefit from those flights due to (understandably) needing to stay with her father, but ultimately the reason for this all stems back to the allegation that the supplier acted without reasonable care and skill in respect of the agreement to repatriate her father. This is an agreement (as I have reiterated above) which Ms H has no Section 75 claim against TB in respect of.

I want to reiterate that my decision here is whether it is fair, noting the circumstances around the claim as presented, to hold TB liable to Ms H for the allegations being made about the supplier. I have explained why I don't think it is (mainly due to the specific way Section 75 works). But that doesn't mean Ms H is unable to explore what potential civil action can be taken against the supplier (and by whom) for what has gone on here.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 27 October 2025.

Mark Lancod
Ombudsman