

The complaint

Mr H is unhappy with how Barclays Bank UK PLC trading as Barclaycard (Barclays) handled a claim he made about a transaction on his credit card.

What happened

The parties are familiar with the background of this complaint, so I will summarise it here, which reflects my informal remit.

In October 2024, Mr H booked hotel accommodation for a stay between 20 April and 26 April 2025. He paid around £1,455, using his Barclays credit card, which covered the cost of two rooms.

Mr H said that on arrival, he informed the hotel of his medical conditions, including bronchiectasis and severe asthma, and emphasised the need for a clean and scent-free environment. He said the room initially allocated to him had a strong and unpleasant smell coming from the bathroom. Hotel staff attempted to address this by spraying a heavy aerosol, which Mr H said triggered a serious breathing reaction and made him unwell.

After complaining, Mr H was moved to a second room, which he said also had a noticeable smell and didn't meet the standards of a five-star hotel. He described an extremely loud fan that prevented him from resting and noted visible dust build-up.

While still at the hotel Mr H complained by email and said if the issues couldn't be resolved he expected a full refund and to be transferred to another hotel.

Mr H then contacted Barclays to raise a dispute for £727.50, representing the cost of one room. Barclays asked Mr H to provide further information, on more than one occasion, which included any correspondence between him and the hotel. Mr H said that despite contacting the hotel, he received no response to his complaint.

Barclays considered the claim under Section 75 of the Consumer Credit Act 1974 (Section 75) but concluded there was insufficient evidence of a breach of contract or resulting loss. Barclays also raised a chargeback, which the hotel defended. The hotel said Mr H had originally booked a classic room but following his complaint, he was proactively offered a presidential suite as a gesture of goodwill. It said Mr H accepted this offer, remained at the hotel for the rest of his stay, and provided copies of emails and WhatsApp messages indicating he was satisfied with the resolution.

Mr H complained to Barclays about the handling of his claim. Barclays issued a final response not upholding the complaint.

When an investigator reviewed the case, they also didn't uphold it. The investigator said it wasn't unreasonable for Barclays not to pursue the chargeback, given the strength of the hotel's defence. In relation to Section 75, the investigator said Barclays didn't act unreasonably in declining this, as there was insufficient evidence of a breach of contract and no evidence to support Mr H's claim that he incurred additional emergency expenses.

Mr H disagreed with the investigator's outcome. In summary, he argued that there had been

a material breach of contract under the Consumer Rights Act 2015 (CRA), which requires services to be carried out with reasonable care and skill, and that Barclays was therefore jointly liable under Section 75.

He said he was forced to remain in unsuitable accommodation for three days, and that the later room upgrade didn't remedy the initial breach or compensate him for the distress, inconvenience and deterioration in his health. He referred to case law and Ombudsman decisions in which Section 75 complaints were upheld where services were not delivered in accordance with the contract, and consumers suffered significant distress and inconvenience, even in the absence of additional financial losses.

As Mr H remained unhappy the case has been referred to me to make a final decision.

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.

Whilst I've read and considered everything, if I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. This is not meant as a discourtesy but rather reflects my role of resolving disputes with minimum formality.

In this decision, I am considering whether Barclays acted fairly and reasonably in the way it handled Mr H's request for getting his money back. Having considered the specific card protections available in the circumstances, Barclays could've considered assessing a claim under Section 75 or raising a chargeback.

Chargeback

A chargeback is a process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme - in this case, Mastercard. It allows customers to ask for a transaction to be refunded in certain circumstances. It's not an automatic right, doesn't give consumers legal rights, and isn't a guaranteed method of getting a refund, as chargebacks may be defended by merchants.

Chargebacks are decided based on the card scheme rules and not the relative merits of the cardholder/merchant dispute. While it's good practice for a card issuer to attempt a chargeback where certain conditions are met and there's a reasonable prospect of success, there are dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. Importantly, something going wrong with a merchant won't always lead to a successful claim.

Here Barclays raised a chargeback on behalf of Mr H. I consider the most appropriate dispute category in the circumstances would've been "*goods or services were either not as described or defective*" which Barclays appears to have used when raising the chargeback.

One of the requirements to raise a successful chargeback, under this reason code, is that "*the merchant refused to adjust the price, repair, or replace the goods or other things of value, or issue a credit*".

When the hotel defended the chargeback, it submitted evidence including emails and WhatsApp messages exchanged between Mr H and a member of its management. The evidence showed that following Mr H's complaint the hotel relocated him to another room, which was a complimentary upgrade from a classic room to a presidential suite. The

evidence also confirmed that Mr H accepted the upgrade, thanked the hotel, and remained at the hotel for the full duration of his stay.

Although Mr H now states that he didn't consider this to be an acceptable resolution, the key issue for the purpose of the chargeback is that the hotel didn't refuse to remedy the situation. Instead, it replaced the original room with an alternative and improved room, which Mr H also accepted at the time.

As this essential condition for the relevant dispute category wasn't met, I'm satisfied that Barclays acted fairly and reasonably in deciding not to pursue the chargeback further. Even if it had done so, given the available evidence, I don't consider the chargeback would have had a reasonable prospect of success.

Section 75

Section 75 is a statutory protection that can allow a consumer to pursue a like claim against a credit provider where there has been a misrepresentation or breach of contract by a supplier, providing certain conditions are met.

It's important to note that I'm not considering a complaint against the supplier. I'm considering a complaint against Barclays. So, I have to consider Barclays' obligations as a provider of financial services and its liability for breach of contract or misrepresentation under Section 75. It's also important to note that compensation for distress and inconvenience caused by a supplier is limited with this type of complaint. While I appreciate Mr H is very unhappy about what's happened in his dealings with the hotel, I have to consider what Barclays can be held responsible for, which is the like claim Mr H would have in court against the supplier for breach of contract or misrepresentation.

I'm satisfied that the value of the transaction falls within the relevant financial limits. Section 75 also requires there to be a debtor-creditor-supplier (DCS) agreement in place. Mr H has said that the booking was made through a third party, which could affect whether the necessary agreement was in place. However, no evidence has been provided to confirm this. I also note that the chargeback response was provided directly by the hotel, which suggests it is more likely than not that the booking was made directly with the hotel. In those circumstances, the necessary arrangements may have been in place.

However, given the conclusions I've gone on to reach below, I don't consider it necessary to undertake a detailed analysis of whether a DCS agreement existed.

Misrepresentation

Mr H hasn't suggested that the hotel made any specific false statement or representation about the accommodation before the booking was made. His concerns relate to the condition of the room provided on arrival and the way the issues were handled during the stay.

I'm therefore not persuaded that there was a misrepresentation for the purposes of Section 75.

Breach of contract

Under the CRA there is an implied term that the hotel would provide its services with reasonable care and skill.

I accept that Mr H was dissatisfied with the condition of the room on arrival and that he raised his concerns with the hotel during the stay. However, based on the available evidence, I haven't seen sufficient evidence to demonstrate, that the hotel failed to provide its services with reasonable care and skill, or that there was a clear breach of contract.

I'm mindful the purpose of my decision is to provide a fair outcome quickly with minimal formality. And so, even if I were to accept that there was a breach of contract, the evidence shows that the hotel took steps to address Mr H's concerns during the stay. This included moving him to another room and providing a complimentary upgrade to a presidential suite. The correspondence between Mr H and the hotel also showed that Mr H accepted this resolution at the time, thanked the hotel, and remained at the hotel for the remainder of his booking.

Mr H has said that despite the later upgrade, he still experienced discomfort during the early part of the stay and that his asthma was made worse as a result. However, I haven't seen compelling evidence to persuade me that the condition of the accommodation during the early part of the stay amounted to a breach of contract for the purposes of Section 75.

Mr H has referred to case law and to other decisions made by this service in support of his position. I've taken these comments into account. However, it's important to explain that each complaint our service considers is decided on its own individual facts and circumstances. In this case, for the reasons I've already explained, I've not seen enough to show that the overall service from the hotel wasn't carried out with reasonable care and skill, the hotel breached the contract or made a misrepresentation that Barclays would be liable for under Section 75. In the circumstances, I can't reasonably conclude that Barclays acted unfairly or unreasonably in declining Mr H's Section 75 claim.

Customer service and complaint handling

I've also considered whether Barclays handled Mr H's dispute and complaint fairly.

I can see that Barclays requested further information from Mr H on more than one occasion, in particular asking for the hotel's final response or correspondence setting out its position to his complaint. I acknowledge that Mr H said to Barclays, around mid-May, that the hotel had not responded to him, and why he may have been unhappy to receive a further request from Barclays asking for any correspondence between him and the hotel after his stay.

However, I can see that when Mr H questioned this, Barclays explained why this information was required and how it was relevant to it considering his claim for a refund. Mr H also indicated to Barclays that he continued to engage with the hotel after 21 April 2025 and had requested to be moved to another hotel. In those circumstances, I think it was reasonable for Barclays to seek further correspondence in order to understand how the matter had concluded.

I can see that on 11 June 2025 when Mr H confirmed that he had no further correspondence to provide from the hotel, Barclays raised the chargeback a few days later and informed him of this.

In the circumstances I'm satisfied that Barclays explained what information it needed and why, and it dealt with his claim reasonably. I appreciate that Mr H feels strongly about this matter, and I recognise that this outcome will be disappointing for him. But taking everything into account, I don't think Barclays acted unfairly or unreasonably in the way it handled the chargeback, assessed the Section 75 claim, or dealt with the complaint. So, I'm not going to direct Barclays to take any further action.

I should point out that Mr H doesn't have to accept this decision. If he remains dissatisfied, he may wish to seek independent legal advice and pursue the matter through a formal channel such as the courts.

My final decision

I'm not upholding this complaint against Barclays Bank UK PLC trading as Barclaycard.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 13 February 2026.

Farhana Akhtar
Ombudsman