

## The complaint

Mr S complains Barclays Bank UK PLC trading as Tesco Bank (“Tesco Bank”) didn’t treat him fairly when he asked for assistance with obtaining a partial refund for a holiday which he paid for using his Tesco Bank credit card.

## What happened

Mr S has a credit card with Tesco Bank. On 6 January 2025, he used the credit card to pay a deposit of £150 for a package holiday he booked from a company I’ll call ‘O’, for 11 July to 18 July 2025. The terms of the booking were that Mr S would pay a total of £3,930 over four separate payments, with the last one due on 11 June 2025. The package included outbound and return flights and half-board accommodation at a hotel for Mr S, his wife and children.

On 5 June 2025, Mr S contacted O via online chat and told them he’d heard on an unofficial group on a social media page that the hotel’s main pool was being renovated during his stay. The representative of O told Mr S there were no reports of this on their ‘official group’ or hotels page.

Mr S was then contacted by O on 27 June 2025 who told him that some pool renovations were scheduled to take place during his stay. O said the work would be limited to the main pool from Monday to Friday, between 10am and 4pm. O also said Mr S would still have access to the other pools at the hotel during his stay.

Mr S replied to O asking why they’d only notified him of this now, when he had spoken to the hotel and was told by them that O were aware of the pool closure in January 2025. Mr S said he never would have booked the holiday had he been aware the pool wouldn’t be available.

O replied saying they’d only recently received confirmation from the hotel about the pool closure and the hotel had told them they were unable to offer alternative accommodation as Mr S had requested, as other pools at the hotel remained available. O declined to offer Mr S any compensation. Mr S then told O he had no choice but to proceed with the booking as he wasn’t able to find any alternative accommodation at such short notice and told O he would explore matters further on his return.

Mr S put in a claim with Tesco Bank when he returned from the holiday. They initially considered whether they could raise a chargeback but declined to do so because they felt Mr S utilised the full services offered by the hotel. Tesco Bank then considered a claim under Section 75 of the Consumer Credit Act 1974 (“s75”). They initially made an offer to Mr S of 10% of the costs of one of the hotel rooms. Mr S declined the offer and said 25% of the total booking cost was fairer. Tesco Bank increased its offer to 15% of the cost of one room, but Mr S also declined this offer. Tesco Bank then told Mr S they wouldn’t be increasing their offer and set this out in a final response letter.

Mr S referred his complaint to our service. One of our investigators looked into the matter. She arrived at the conclusion that Mr S had no grounds for a successful claim under s75 as the core services of the booking, namely accommodation, meals and access to swimming facilities were all provided and utilised by Mr S in full. She said four other pools remained

open and available for Mr S and his party to use at the hotel. And she said the issue with the main pool was classed as an 'insignificant change' to the booking by O, which meant he wasn't entitled to a refund from them. Our investigator also said Tesco Bank hadn't acted unfairly by not raising a chargeback as there was little chance of it being successful.

Mr S disagreed with our investigator. He said the hotel told O and all other tour operators in January 2025 the main pool would be closed. Mr S also said Tesco Bank had given no rationale for how they'd reached figures of 10% and 15% in making their offers. And he said Tesco Bank were wrong to base their offers, and rationale for their response to his claim, on the cost of one of the rooms only, when he was the primary card holder and purchaser meaning the entire amount of the booking needed to be considered. Mr S also said he disagreed that the closure of the main pool amounted to an 'insignificant change'.

As Mr S's complaint remains unresolved, it's 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.

When a person approaches their credit card provider for assistance when something has gone wrong with a purchase they've made, there are a couple of ways in which their provider may be able to help. They could potentially attempt what is known as a chargeback on any payments made with the card, or they could consider a claim under s75.

In Mr S's case, Tesco Bank considered both avenues and decided it couldn't help with a chargeback. It did though partially uphold Mr S's s75 claim. I will deal with both avenues in my decision.

### **S75**

S75 gives a person who has paid for goods and services a degree of protection if they've used their credit card to make the payment. So long as certain technical conditions are met, it gives that person the same claim against their credit card provider as they would have had against the supplier of the goods and services, if the supplier has misrepresented something or breached its contract with them.

The booking included flights and a half-board hotel stay. This means The Package Travel and Linked Travel Arrangements Regulations 2018 (“PTRs”) are relevant legislation that covered the booking. The effect of the PTRs is to make it a term of any package travel contract that the organiser (in this case, O) will be liable to the traveller for the proper performance of the various travel services included in the contract, regardless of whether these services are delegated to third parties such as a hotel. If any of the travel services aren’t performed in accordance with the contract, then the organiser must remedy the situation within a reasonable period. If they fail to do so, then contractually the traveller is entitled to a price reduction reflecting the period of non-conformity.

Mr S has said that certain aspects of the booking were fine, such as the flights, hotel rooms and the meals provided by the hotel. However, Mr S also said the main pool was closed, and one of the main reasons for agreeing to the booking, was so he and his party could enjoy this particular facility, Mr S also said O was fully aware the pool would be closed some time before they actually told him this, by which time it was too late for him to change his holiday plans.

Based on the description of the hotel which appeared on O’s website, I think proper performance of the accommodation part of the package travel contract would have included the provision of the various facilities and amenities which were advertised there. While I can absolutely appreciate that the main pool being closed would have been very frustrating for Mr S, and that this was something he would have expected to be able to have used when he made the booking, the hotel did provide four other pools for use. So, I can’t conclude that the hotel, and by extension O, failed to provide a key aspect of the contract, namely swimming facilities or that Mr S and his party weren’t able to make full use of those facilities in some way, shape or form.

It’s also relevant in my view to note that O did tell Mr S that the main pool was closed prior to the holiday, and that Mr S decided to go ahead knowing this information. And O’s terms and conditions, as shown on their website, set out there was no recourse in this situation for Mr S to claim a refund. These terms and conditions state that Mr S’s rights would be dependent on whether a change to the booking would be classed as being a ‘significant change’ or an ‘insignificant change’.

O’s website sets out that examples of a ‘significant change’, which would entitle its customer to accept any proposed changes, take an alternative package or cancel the package with a full refund, would include:

- A change of accommodation to that of a lower standard or classification for the whole or a significant part of the time away.
- A change of outward departure time or overall length of the holiday by more than 12 hours.
- A change of UK departure airport except between certain airports.
- A significant change to the itinerary, missing out one or more destinations entirely.

I don’t find that closure of the main pool constituted a significant change, when there were other pools still available to use. And in the section setting out examples of an ‘insignificant change’, which doesn’t entitle a customer to a refund, one such example is where there is a ‘change to the service available at your accommodation, unless there is a major change to one of these’. I think what happened in Mr S’s case falls into that example.

As a result of what I've set out above, I don't find there are sufficient grounds for Mr S to have made a successful claim under s75. Tesco Bank has made an offer to Mr S, and one that was conditional on their assessment that Mr S was only entitled to a certain monetary claim for himself, rather than for the whole booking party as he's requested. However, I make no comment on whether that offer is fair, bearing on mind my conclusions about the s75 claim made by Mr S, and it's up to Mr S to decide whether he wants to accept Tesco Bank's offer, if it is still open.

### *Chargeback*

I've also considered Tesco Bank's decision not to raise a chargeback. However, as I don't find that Mr S had grounds for a successful s75 claim, I see no realistic way that a chargeback would have been successful, for broadly the same reasons I've given in considering the s75 element of this complaint.

### **My final decision**

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 19 March 2026.

Daniel Picken  
**Ombudsman**