

The complaint

Mrs P has complained about how Barclays Bank UK PLC trading as Tesco Bank responded to a claim for money back in relation to a purchase made on her credit card.

What happened

The circumstances are well known so I'm not going to go over everything again in detail. But, in summary, Mrs P said she visited a clinic with her daughter in November 2023 for a consultation. She said she and her daughter agreed to different treatments and Mrs P paid for her and her daughter's treatment packages.

Mrs P made two transactions on her Tesco Bank credit card in November 2023, one for around £1,500 and one for around £1,000.

Mrs P said some of the treatments needed to be spread apart and the timescales were different for her and her daughter. She said they were running as planned until she received contact from the merchant in July 2024 notifying her it was closing with immediate effect. Mrs P said she found out in January 2025 it had reopened through a different company. She decided to contact Tesco Bank to put in a claim as there were outstanding treatments for her and her daughter.

Tesco Bank said a chargeback would have been out of time, but it agreed to pay part of the outstanding claim (around £600 for Mrs P's missing treatment). It refused to reimburse a sum for her daughter's missing treatment because the necessary conditions for a claim to be considered under section 75 of the Consumer Credit Act 1974 didn't exist.

Mrs P decided to refer her complaint to the Financial Ombudsman. One of our investigator's thought Tesco Bank's answer was broadly fair so didn't make any recommendations. Mrs P didn't agree, so the complaint has been passed to me to make a 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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mrs P and Tesco Bank that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I also want to say I'm very sorry to hear Mrs P and her daughter weren't able to complete the treatment. I can't imagine how they must feel. I know it cost a significant sum and I thank Mrs P for taking the time to bring the complaint.

What I need to consider is whether Tesco Bank – as a provider of financial services – has acted fairly and reasonably in the way it handled Mrs P's request for getting money back. It's important to note Tesco Bank isn't the supplier. I've gone on to think about the specific card protections that are available. In situations like this, Tesco Bank can consider assessing a claim under section 75 or raising a chargeback.

Mrs P said she is satisfied with the refund she received in relation to her missing treatment. So I'm only considering whether Tesco Bank was fair to refuse to reimburse her for her daughter's missing treatment.

Section 75 is a statutory protection that enables Mrs P to make a like claim against Tesco Bank for breach of contract or misrepresentation by a supplier paid by credit card in respect of an agreement it had with her for the provision of goods or services. But there are certain conditions that need to be met for section 75 to apply. I think the value of the transactions fall within the financial limits given the treatment packages cost more than £100 (and less than £30,000).

There also needs to be a debtor-creditor-supplier (DCS) agreement in place. Having multiple parties involved can impact the arrangement.

One of the conditions for a claim to be considered under section 75 is that the borrower (debtor) needs to have used the credit to pay the same company which they have a like claim against for breach of contract or misrepresentation.

In this case, Mrs P is the debtor and so she'd be the one who'd need to have a claim against the clinic for breach of contract or misrepresentation. But her daughter had the relevant treatment with the clinic. And she was an adult named as the client on paperwork Mrs P has supplied.

The nature of the treatment is that it's very personal to Mrs P's daughter. I think it's difficult to argue that it's anyone other than Mrs P's daughter that received the treatment and would be party to the contract with the clinic. If there was a consent form, as is common in these sorts of treatment, I think it likely Mrs P's daughter would have signed it because she had the treatment. If something went wrong with the treatment it would have been Mrs P's daughter that could have taken the clinic to court. While Mrs P paid for the treatment, I don't think she had the type of claim against the clinic that she's now seeking to bring against Tesco Bank (for her daughter's treatment).

I therefore don't find I have the grounds to direct Tesco Bank to take further action in relation to the way it handled the section 75 claim because it wouldn't be fair to direct it to reimburse Mrs P if it has no liability to do so.

The chargeback process provides a way for a card issuer to ask for a payment to be refunded in certain circumstances. The chargeback process is subject to rules made by the relevant card scheme. It's not a guaranteed way of getting money back.

While it's good practice for a card issuer to attempt to chargeback where certain conditions are met and there's some prospect of success, there are grounds or dispute conditions set by the relevant card scheme that need to be considered. If these are not met, a chargeback is unlikely to succeed. And something going wrong with a merchant won't always lead to a successful claim. Tesco Bank didn't think a chargeback would've had a reasonable prospect of success.

It doesn't seem to be in dispute the claim was raised more than 120 days after Mrs P became aware the services ceased. Given the relevant card scheme time limits I don't think

Tesco Bank acted unfairly by not raising a chargeback because it would have been out of time.

Overall, while I can understand why Mrs P decided to pursue the claim, I don't think there's grounds for me to direct Tesco Bank to refund her what she requested. That's not to say something hasn't gone wrong, merely that from a financial services perspective, I don't think Tesco Bank's answer was unfair.

My final decision

Barclays Bank UK PLC trading as Tesco Bank gave Mrs P a partial refund for the treatment she didn't receive herself. I think this offer is fair in all the circumstances. I make no further directions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 27 January 2026.

Simon Wingfield
Ombudsman