

## **The complaint**

Mr K complains about how Clydesdale Bank Plc trading as Virgin Money ('VM') handled his claim 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.

Mr K bought flight tickets from an airline ('the supplier') for his parents using his VM credit card. However, he says his parents later found out they could not travel without a specific visa. Mr K says his father was denied boarding and had to be booked on an alternative flight. Mr K says he also booked his mother (who was due to fly two weeks later) on another flight.

Mr K says the supplier is at fault for this – because it didn't provide sufficient information about the specific visa requirements at the time of booking. And then gave him false and misleading information about it later on.

Mr K says he got a part refund for the unused airport taxes and fees but not the full price of the tickets. He wants a full refund. He also says he had consequential losses associated with having to make another booking, along with inconvenience – which he would like to be compensated for.

Mr K made a claim to VM. It raised a chargeback but discontinued it after it was defended. It also considered a claim in respect of Section 75 of the Consumer Credit Act 1974 ('Section 75') but declined the claim.

Our investigator did not uphold the complaint about the claim handling so it was passed to me for 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.

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 Mr K is unhappy with the service he paid for. However, it is important to note that my decision here is about the actions of VM – and what it should fairly have done for Mr K in its position as a provider of financial services. In looking at how it handled the claim Mr K brought to it I consider the information reasonably available to it at the time, along with the relevant card protections available to Mr K including chargeback and Section 75.

Chargeback

The chargeback scheme is a way VM can try and obtain a refund for Mr K. However, it is not guaranteed to succeed and is governed by the specific rules of the Mastercard scheme in this case (which I have considered).

I note here VM appears to have raised a chargeback for Mr K – but discontinued it when the supplier raised a defence. I have looked at whether this was reasonable.

It looks like VM raised a chargeback in relation to a service that is not as described or defective. Which doesn't seem an unreasonable option based on what Mr K had told it.

However, I can see the supplier defended this, pointing out that the tickets (aside from airport fees and taxes) were non-refundable if cancelled. It also provided extracts from its booking terms showing that:

- it is the customer's responsibility to adhere to entry regulations of all countries being visited on the trip; and
- the customer should check the applicable entry and visa requirements and ensure necessary visas are obtained noting that there is a 'double transfer within Germany/Europe'.

So based on this I don't think VM were acting unfairly in discontinuing the chargeback here. As the defence showed that Mr K was not entitled to a further refund – and that the supplier is not responsible for passenger's adhering to entry requirements.

Furthermore, even had VM continued the chargeback I think it was unlikely to have succeeded in any event. The supplier is likely to have continued to defend it – and then it would be down to the card scheme to arbitrate. It's difficult to say it is more likely to have succeeded than not when the booking terms appear clear about the responsibility regarding visas being on the customer. It is also worth noting (as an aside) that the chargeback scheme would not have been suitable for recovering the consequential losses or other compensation Mr K was claiming either.

In summary, I don't think VM acted unfairly in respect of discontinuing the chargeback here based on the information it had available to it.

## Section 75

Section 75 in certain circumstances allows Mr K to hold VM 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.

There are certain requirements that need to be met for Section 75 to apply – which relate to things like the cash price of the goods or services and the parties involved. After considering these factors I do not think the requirements are in place for Mr K to have a claim against VM for the specific alleged breach or misrepresentation by the supplier. I will explain why.

Mr K's claim is essentially that VM breached its contract with him because it denied his parents boarding – and it gave insufficient advice about visa requirements at the time of booking, and later misleading or false information about it on further enquiry. This is a claim for breach of contract and not misrepresentation (which relates to false information given prior to purchase which induces a person into entering a contract).

For Mr K to have a claim against VM for the alleged breach by the supplier there needs to be the relevant 'Debtor-Creditor-Supplier' ('DCS') agreement in place that gives rise to such a claim.

Although Mr K made the booking with the supplier – the passengers (his parents here) have their own contracts of carriage with the supplier in regard to travel. This includes the rights and obligations of the parties in respect of boarding requirements and the responsibility of those passengers in respect of country entry requirements/obtaining correct visas.

Because of this, I consider the requisite 'DCS' agreement is not in place to give rise to a claim by Mr K against VM for the alleged breach of contract he is pursuing here. Which relates specifically to the duty the airline has to his parents in respect of carriage.

I note Mr K's role in making the booking, which he appeared to be doing as agent for his parents. While, I acknowledge there is likely a limited 'DCS' agreement in respect of him arranging and paying for the initial booking. Mr K's claim isn't that the supplier failed in arranging the booking. It is about the supplier's responsibilities in respect of carriage. And while I recognise that Mr K was assisting his parents with finding out information regarding their visa obligations – I don't think he was likely doing this as a contracting party but as an agent for his parents.

A Section 75 claim is based on a claim the debtor would have in court against the supplier (in this case the airline). I am not convinced that Mr K, despite arranging the initial booking and paying for the services, would be able to bring a court claim against the supplier for the alleged breach here. I think it is likely to be his parents.

Based on this information it had at the time of the claim I don't think VM would have been acting unfairly in saying that the requirements for a valid Section 75 claim had not been met.

However, even if I were mistaken about this – I don't think VM were acting unfairly not accepting liability for the claim based on the information reasonably available to it at the time. I will briefly explain why – in the interest of completeness.

Firstly, the express terms of the contract with the supplier are clear that it is the passenger's responsibility to arrange a visa / adhere to entry requirements. So I don't think VM was acting unfairly in not accepting there was a breach of contract in this respect.

Secondly, the implied term which is relevant here is the requirement to carry out a service with reasonable care and skill (as inserted by the Consumer Rights Act 2015). That isn't defined in law but is usually the level of care and skill expected in a particular industry. Noting the warnings in the supplier's terms around visas and who is responsible for that I think it's difficult to say that the supplier has acted without reasonable care and skill by not providing additional information about specific visas at the point of booking (which Mr K wanted) when the contract is clear this isn't its role.

Furthermore, while it would not be right of the supplier to provide false or misleading information about visa requirements – I don't think Mr K provided VM with clear evidence to show it had done so here. I also note that in Mr K's account of what happened he states that the supplier told him he needs to speak to the embassy to get further clarity – so it would be reasonable for a customer to use this as the primary source of information. Furthermore, the conversations which Mr K refers to with the supplier in relation to his father's visa requirements (and eventual denied boarding) appear to have been around 24 hours before the flight. So even if the supplier did give false information about visa requirements at this point (and that isn't clear) there is a question around whether this changed things in any event as it seems unlikely a visa would be possible in such a short time. Furthermore, from the information Mr K provided VM it wasn't clear why he didn't then have sufficient time to arrange a visa for his mother once he had found out about the specific requirements.

So, in summary, I don't think it would have been unfair for VM to say Mr K did not have a valid Section 75 claim against it in relation to this matter due to DCS requirements. But in any event, I don't consider the information it had was persuasive enough to say the supplier breached its contract.

As I have indicated above – I don't think this claim was in respect of misrepresentation – but for completeness I don't consider there was persuasive evidence put to VM to support this in any event. I know Mr K says visa requirements had changed and the supplier should have told him this before the booking – but I don't consider this would constitute evidence of a misrepresentation that meant VM should have acted differently here.

Mr K has previously indicated VM took a long time answer his claim. I can't see where he has focused on this in referring the matter to me but I will deal with it briefly in the interest of completeness. I can see Mr K made his claim to VM in January 2024 and it gave him an initial answer in May 2024. Considering it investigated chargeback and Section 75 and had to gather information from Mr K I don't think this warrants compensation. I know Mr K continued to correspond with VM about his claim and the resulting complaint about the claim outcome for some time after – but that doesn't mean that its fair for me to say that VM should compensate Mr K for the way it handled the claim. It is also worth noting my role here isn't to look at VM's complaint handling – only the claim.

I know this will disappoint Mr K – however, my role is an informal one. He is free to reject my decision and pursue matters by more formal means (such as court) if he considers this the right course of action going forward.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 14 February 2026.

Mark Lancod  
**Ombudsman**