

The complaint

X complained about the way Barclays Bank UK PLC trading as Tesco Bank (Tesco Bank) dealt with a claim for money back for a purchase they made using their credit card.

What happened

In October 2025, X booked a cruise for around £1,250 with a supplier I'll call T using their Tesco Bank credit card. X contacted T within a week to complain. X said after booking they wanted to add a drinks package and internet access and went to the cruise provider and said they were told that they were able to add these on as a package when they made the original booking at a cheaper price. X said that T failed to inform them that they could have bought an inclusive package and this would have been cheaper than buying it separately.

T responded to X and explained that the option to include a drinks package was available at the time of booking for a reduced price, but as this wasn't selected it wouldn't be able to offer the same deal after the cruise had been booked. X said that they'd been mis-sold but T didn't agree to offer a cancellation without a charge and said the terms and conditions would apply.

X raised a claim under Section 75 of the Consumer Credit Act 1974 (Section 75) with Tesco Bank. However, Tesco Bank didn't agree there was a misrepresentation as X selected a basic package and that was what they had paid for and there hadn't been a breach of contract as the services were available for the cruise and it was X's decision to cancel. X complained about the outcome of the Section 75 claim. Tesco Bank responded and said it considered if it could raise a chargeback but didn't think there was reasonable prospect of success, so it considered a Section 75 claim. However, it didn't think its position on the Section 75 claim was incorrect.

Unhappy X referred their complaint to the Financial Ombudsman. X said they wanted the cancellation fees that were applied by T when they cancelled refunded, which was around £250 and compensation for the distress and inconvenience caused. An investigator considered the complaint but didn't uphold it. He didn't think there was a misrepresentation or a breach of contract which Tesco Bank could be held liable for.

X didn't agree. They said that there was a misrepresentation by T due to an omission. X didn't think the option of the inclusive package was presented to them and had it been they would have been able to make an informed decision. Therefore, they wanted the remaining amount that wasn't refunded back by T to be refunded to them by Tesco Bank.

As the matter remains unresolved it has 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.

I have focussed on what I consider to be the key points. If I don't comment on a specific point this is not intended as a discourtesy – it simply reflects the informal nature of this service. Our powers allow me to do this.

I'm considering Tesco Bank's responsibilities as the financial services provider and the actions it took in considering the request for a refund. It's important to note, I'm not considering a complaint against T. I've considered what options Tesco Bank may have been able to explore to try and help X with getting their money back.

Section 75

Where a payment has been made using a credit card, Tesco Bank can consider reviewing a claim under Section 75.

Section 75 gives the account holder (the "debtor") the right to make a like claim against their credit card provider for a breach of contract or misrepresentation by a supplier of goods or services. But certain conditions needed to have been met including the debtor-creditor-supplier (DCS) agreement, and certain financial limits. I'm satisfied this has been met.

X has said that T failed to provide them with information about the additional packages that were available when they booked the cruise. As X is making the claim, generally the onus is on them to provide evidence to support that claim. Additionally, where there is incomplete evidence or information, I have to decide what I think is more likely based on the evidence that is available.

I can see that T provided screenshots to X showing where they were able to select the additional promotions available to them. X said that this wasn't available when they made the booking but hasn't provided any evidence to corroborate their claim. So based on what was available to Tesco Bank, I don't think it acted unfairly in declining the Section 75 claim. I can't see evidence that X wasn't given this information and from looking at T's website I can see that it has information about additional packages including drinks on its website.

In order to consider if a misrepresentation occurred, I have to consider if a false statement of fact was made, which induced X into the contract.

I've carefully considered the points X has raised including their view that there was a misrepresentation by omission because the option of an inclusive package wasn't highlighted to them when they made the original booking.

Having considered the information available I haven't seen sufficient evidence that the supplier made a false or misleading statement relating to a drinks package and internet access for the cruise X purchased. The evidence suggests that X selected and paid for a cruise package without additional promotions. The drinks package and internet access X later wanted added were optional extras that could be selected at the time of booking at a discounted rate. As it appears X didn't choose that option when the booking was made, the supplier has said it wasn't able to offer the same discounted package afterwards.

X has suggested that T didn't present the inclusive package, however for an omission to amount to a misrepresentation there needs to be a duty on the supplier to disclose the information or evidence that the supplier actively concealed a material fact. In this case I haven't seen evidence that T was under an obligation to highlight all alternative package combinations available or that it concealed the existence of the inclusive option. The information available suggests the inclusive package was simply one of the several booking options available at the time. So, I'm not satisfied that Tesco Bank acted unfairly when it said it can't be held liable for a misrepresentation.

I've also thought about whether there was a breach of contract however I can't see that T was unwilling to provide the package that X had paid for. Additionally, I've not seen evidence to show that the package had been misdescribed. Taking everything into account I haven't seen evidence that the cruise was misrepresented, misdescribed or that X was given incorrect information about what they were purchasing or that the supplier failed to provide the services that formed part of the contract. So, I think Tesco Bank's position on the Section 75 claim was fair. I'm not persuaded it would be fair to require Tesco Bank to reimburse X the fees they incurred when they cancelled the cruise. I've also considered that Tesco Bank dealt with the claim within a reasonable period of time, so I don't think it's fair to ask it to pay X compensation for the handling of the claim.

Chargeback

Chargeback is based on the relevant card scheme rules. In this case it's the Mastercard scheme rules. A card issuer can attempt a chargeback on behalf of a cardholder where they dispute a transaction with a merchant, if they meet the criteria of the rules. A chargeback is not guaranteed to succeed, and a card issuer does not have to raise one.

In this case Tesco Bank didn't raise a chargeback. I've thought about whether X would have had any different recourse under the provisions of a chargeback claim. X would have been claiming under rules relating to services not as described or defective or not received. However, I'm not persuaded that this would have led to a different outcome.

I know X will be disappointed with my decision. However, I think Tesco Bank acted fairly in dealing with X's dispute, so I don't require it to do anything further. I should, however, point out X doesn't have to accept this decision. They are also free to pursue the complaint by more formal means such as through the courts.

My final decision

For the reasons explained above, my final decision is that I do not uphold X's complaint.

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

Amina Rashid
Ombudsman