

The complaint

Mr G complains that Tandem Bank Limited (“Tandem”) changed the terms and conditions of his credit card account.

What happened

Tandem wrote to Mr G to say that they were changing the terms and conditions of his credit card account. They were introducing Tandem Membership, which would give Mr G access to various benefits but involved the introduction of a new monthly fee. The letter gave him advance notice of the change and said that, if he chose not to become a member, he wouldn’t be able to use his card after 9 March 2020 and that his agreement with Tandem would end when his balance was repaid in full. Mr G says this was unfair, as Tandem gave him no option other than to accept the new terms or close his account.

Mr G called Tandem to discuss the letter and made a complaint. He says he didn’t hear anything from them, so he called again a month or so later. The call handler told Mr G that a final response letter had been sent to him, but that it had been returned marked “*gone away*”. The call handler couldn’t read the letter to Mr G over the phone, so he asked for it to be sent to him again. Mr G says he never received the letter. He made several calls to Tandem to chase it up but says that they weren’t helpful.

Because Mr G was unhappy with the change to his account and the level of service he received from Tandem, he brought his complaint to this service.

Our investigator thought that Tandem had acted fairly in relation to the change of terms and conditions. She explained that it’s not within the remit of this service to look at complaints about complaint handling, but Tandem wrote to Mr G separately to apologise that the service he received didn’t meet the high standards they aim to provide.

Mr G remained unhappy with the situation and asked for his complaint to be reviewed by an ombudsman. He says he never received the final response letter from Tandem and only saw it for the first time when our investigator obtained a copy and sent it on to him. He’s not satisfied that Tandem dealt with the complaint correctly and he’s unhappy with the level of service they provided when responding to his complaint.

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.

The change which Tandem made to Mr G’s account involved the introduction of various benefits in return for a monthly fee. The terms and conditions of Mr G’s account allowed Tandem to introduce new fees and I’m satisfied they were entitled to make this change. They had to give Mr G not less than two months’ notice and I’m satisfied they did that here.

The terms and conditions also said that, if Mr G was unhappy with any change, he could close his account. The terms said that, if Mr G didn't close his account, he would be deemed to have accepted the changes.

In relation to the new Tandem Membership, Mr G had to take positive steps to sign up to it. If he did nothing, he wouldn't be able to use his card after the date the changes were introduced, and his agreement with Tandem would end when his balance was repaid in full. Under the terms and conditions, doing nothing would usually amount to acceptance of any changes by Mr G. But, in this case, the opposite applied – doing nothing meant rejection of the changes by Mr G, which in turn meant his account would be closed.

Because the changes Tandem were introducing meant that Mr G would start incurring a monthly fee, I think it was responsible of Tandem to require positive acceptance of this change by Mr G, rather than taking his silence as an acceptance of the new charges. If Mr G wanted to accept the change and become a Member, he had two months to do so. Failing that, Tandem would end the agreement. I think this was a reasonable approach, which Tandem were entitled to take under the terms and conditions.

The other aspect of Mr G's complaint is to do with the service he received from Tandem. He doesn't think it was satisfactory and he says he never received the final response letter from them – he only received a copy when our investigator obtained it and sent it on. From the information which is available to me, I'm satisfied that Tandem sent the final response letter to Mr G on 12 January 2020. I'm not sure why Mr G didn't receive it but, from the evidence available, I can't conclude that it was Tandem's fault. So I can't fairly ask them to do anything about that.

I realise that Mr G feels strongly about the service issues which he experienced after that. But I'm afraid they're not issues which I can look at. When considering complaints, I'm bound by the rules of the Financial Ombudsman Service, which say we can only look at complaints about certain activities carried out by financial businesses. Complaint handling isn't a regulated activity and it's not one of the things this service can look into. So I can't make a decision about the concerns Mr G has raised about the way Tandem handled his complaint.

I'm sorry to disappoint Mr G but, for the reasons above, I don't think Tandem acted unfairly or unreasonably in relation to the changes to his account. So I'm not going to ask them to do anything here.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 January 2021.

Katy Kidd
Ombudsman