

## **The complaint**

Mr L complains that Tesco Personal Finance PLC trading as Tesco Bank incorrectly sent him correspondence advising his credit card payments had been made late.

## **What happened**

Mr L has a credit card with Tesco Bank. On 7 April 2020 Tesco Bank sent Mr L two letters. One letter said Mr L had made two payments later than the required due date. The other letter was a Notice of Sum in Arrears (NOSIA) and gave more information about the payments it said Mr L had made late.

Mr L contacted Tesco Bank to ask about the letters he'd received as he'd made payments in line with the information set out in his credit card statements. Mr L complained and Tesco Bank said the way its systems record payments had led to the letters being sent. Tesco Bank offered Mr L £50 but he declined.

Mr L referred his complaint to this service and it was passed to an investigator. Initially, Tesco Bank claimed that because Mr L was paying his credit card bill on the date his statement was issued it had caused a mistake. But Mr L forwarded more information and comments to the investigator who went on to query the information provided by Tesco Bank. Ultimately, Tesco Bank said it was unable to explain why it had sent Mr L letters saying his payment was made late and suggested it was an anomaly.

Tesco Bank agreed to pay Mr L £100 for the trouble and upset caused but he asked to appeal. Mr L explained he didn't feel the settlement offered fairly reflected what had happened or how he'd been impacted. As Mr L asked to appeal his 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.

First, I'm aware I've set out the background to this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

All parties agree that Mr L's payments for February and March 2021 were not made late. I can see Mr L was quick to raise the issue with Tesco Bank and refer the matter to us. And I can understand Mr L's frustration that, after all this time, Tesco Bank hasn't been able to fully

explain what happened. I agree with Mr L that the service he's received should've been better and that his complaint should be upheld.

I need to decide how to fairly resolve Mr L's complaint. There hasn't been a financial loss here and I think it's fair to note that Tesco Bank confirmed Mr L's payments weren't behind. I can see from Tesco Bank's call notes that it did explain payments had been made when Mr L's complaint was discussed. But it's clear Mr L was very concerned about what happened and sought assurances from Tesco Bank.

I can see Mr L and his wife have both spent time trying to get answers from Tesco Bank. And it wasn't until recently that Tesco Bank said it wasn't able to explain what'd happened. Whilst unsatisfactory, it appears the issue came about as a result of an unspecified systems error. I think the fact that Tesco Bank has raised several possibilities since Mr L complained shows there's no clear answer explain why its systems issued the letters.

Our investigator asked Tesco Bank to pay Mr L £100 for the distress and inconvenience caused. I've read everything Mr L has sent us setting out the way he was affected by Tesco Bank's letters and service. I've taken the timescales involved into account. I'm sorry to disappoint Mr L but I think the £100 settlement Tesco Bank agreed to pay is a fair way to resolve his complaint and recognises the impact of the issues raised on him.

As I'm satisfied Tesco Bank has already agreed to pay a settlement that is fair and reasonable in all the circumstances, I'm not telling it to increase the award or take any further action.

### **My final decision**

My decision is that I uphold this complaint and direct Tesco Personal Finance PLC trading as Tesco Bank to pay Mr L £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 April 2022.

Marco Manente  
**Ombudsman**