

The complaint

Mr H complains that he didn't get a zero per cent balance transfer from TSB Bank plc (TSB).

What happened

Mr H applied for a new credit card from TSB in June 2021. This was agreed with a limit of £7,000. At the time, TSB were offering 0% interest for up to 27 months on balance transfers which took place within 90 days of opening the account. Mr H transferred balances totalling £6,822.52 between 29 June 2021 and 10 September 2021. In April 2022, Mr H's card account started to charge interest. He complained to TSB on 9 April 2022.

Mr H complained. He said TSB's offer was for 0% interest for 27 months. But he had been charged interest after ten months. He said TSB were in breach of the terms of the offer. He was now paying a high rate of interest – and this wasn't fair. He wants the interest refunding and the 0% offer reinstating for the remainder of the period. He also complained that TSB didn't deal with his complaint quickly enough - and this caused him stress and anxiety and caused him to continue to pay the interest for longer than necessary.

TSB didn't send a final response to Mr H. They told us that the complaint logged on 9 April 2022 was closed in error, and therefore Mr H's complaint wasn't investigated within the normal timescales of eight weeks. In the meantime, Mr H's complaint came to our service to look into, and TSB sent to us the information regarding it.

Mr H brought his complaint to us in July 2022 – when he hadn't had a response from TSB. Based on what TSB told our service, our investigator didn't uphold the substance of Mr H's complaint – about the balance transfer. She said TSB's offer was for balance transfers at a rate of 0% for 'up to' 27 months. And the period was subject to status and lending criteria.

She said Mr H signed the credit card agreement online and this stated that the interest free period was for ten months (not 27 months). So – she said Mr H was sent enough information at the outset of the offer to see what had been agreed.

She considered the delay in dealing with Mr H's complaint – and said that had TSB dealt with it when he called them, they could've resolved matters earlier. For that, she said TSB should pay compensation of £50.

Mr H didn't agree and asked that his complaint be looked at by an ombudsman – so it has come to me to do that.

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 can see that the interest free period for balance transfers – in Mr H's case – ended on 27 June 2022. This was shown in the statement dated 27 March 2022. It said the interest rate would then increase to 25.95% APR. I suspect it was this statement that then caused Mr H

to call TSB to complain about what had happened.

Mr H showed us a screenshot of TSB's offer at the time he applied for the credit card. It said "...0% interest for up to the first 27 months on balances transferred within the first 90 days". Mr H argues that he should've got 27 months at zero interest. But the offer is clear – it was 'up to' 27 months.

I looked at TSB's offer at the time which was available on their website. This also said "0% interest for up to 27 months on balance transfers made within the first 90 days of account opening" and it also said "Credit limit, interest rates and promotional periods will vary based on your individual circumstances. Subject to status and lending criteria." In other words, it was down to TSB to decide how long the offer was to be for each customer.

TSB told us that they assessed Mr H's online application – and showed us the assessment. They decided to offer Mr H a ten month interest free period. And this was set out in the credit card agreement which Mr H signed online, electronically. The agreement said "Our current rates for Promotional Transactions are: ...0% p.a. and a charge of 1.45% for Balance Transfers made in the first 90 days after we open your account. This rate is fixed for 10 months from the date we open your account. Interest on the charge is payable at the promotional rate." So – the ten-month period was clear in the agreement.

I accept that Mr H may not have seen the 'up to' statement in the offer, or the 'subject to status' clause in the offer, and he may not have seen what was quoted in the credit agreement – but that's not the fault of TSB. And taken together, I think there was enough information for Mr H to have seen the details of what TSB agreed to and acted upon it.

Therefore, on the crux of Mr H's complaint - I think TSB acted reasonably.

Unfortunately, TSB didn't deal with Mr H's complaint efficiently. They told us they closed his complaint immediately it was received on 9 April 2022. And so - Mr H had to call TSB several times to chase it up. But by then, it had been placed back in a queue. This led to increasing levels of frustration for Mr H.

I listened to five calls between May 2022 and July 2022 (and the original complaint call on 9 April 2022). While I understand his frustration, his foul and abusive language wouldn't have helped his case or enabled TSB to deal with matters. But if TSB had handled Mr H's complaint more efficiently, Mr H would've got a quicker answer and his frustration would've been reduced. Because TSB applied the debit interest fairly, it wouldn't have reduced the amount of interest Mr H paid. But, for the delay in dealing with Mr H's complaint, I agree that a compensation payment of £50 is appropriate. **(continued)**

My final decision

I uphold this complaint. TSB Bank plc must:

- Pay compensation of £50 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 February 2023.

Martin Lord
Ombudsman