

## **The complaint**

Ms F complains about errors and poor service from Tesco Personal Finance PLC trading as Tesco Bank when amending the payment due date of her credit card.

## **What happened**

Ms F opened a credit card with Tesco Bank in August 2022 and the payment date was set to the 30<sup>th</sup>. On 14 February 2023 Ms F called Tesco Bank to amend the payment due date again. Tesco Bank accepts its call handler should've told Ms F to cancel her direct debit and set up a new one or take those steps on her behalf. But those arrangements weren't made.

Ms F called again on 10 March 2023 and was advised the next payment would be collected on 24 March 2023. But when no payment was collected Ms F's account incurred additional interest and a late payment fee. As a result of the way payments were administered, Ms F made multiple payments for her credit card following the 28 February 2023 and 17 March 2023 statements.

Tesco Bank took steps to refund the late payment fee and interest charged. Tesco Bank has also confirmed no adverse information was shared with the credit reference agencies.

Ms F complained and Tesco Bank initially offered £25 to apologise, later increasing the settlement by a further £50. Ms F referred her complaint to this service and it was passed to an investigator. The investigator wasn't persuaded that £75 fairly reflected the level of distress and inconvenience caused to Ms F and asked Tesco Bank to pay her a total of £150. Tesco Bank didn't agree there were grounds to increase the settlement and didn't accept the investigator's recommendation. As a result, Ms F's 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.

I've been brief in setting out the background above as all parties broadly agree concerning the timeline of Ms F's complaint. And Tesco Bank accepts the information Ms F was given and service provided during various calls she had with its agents was poor. I think it's fair to say that Ms F was calling Tesco Bank to carry out a reasonably standard request to amend her payment due date. I've been given copies of eight calls Ms F had with Tesco Bank in her attempts to amend the payment due date and clear up the issues that subsequently occurred. I think it should've been significantly more straight forward for Ms F to amend her payment due date.

Whilst I note everything Tesco Bank says about the level of the award offered, I'm not persuaded it was fair. Given the amount of time Ms F spent, calls she had to make and general concern caused I think the payment should be increased. And I also think it's fair to say Ms F was caused further distress when a payment appeared to have been missed and she was advised a late payment fee and associated interest would be incurred.

I've considered how to fairly resolve Ms F's complaint. In my view, a payment of £150 more fairly reflects the nature of Ms F's concerns, the level of contact she had to make with Tesco Bank, the distress the issues raise caused her and the inconvenience caused over a period of around two months. So whilst I note Tesco Bank's comments, I'm going to uphold Ms F's complaint and award her £150 for the distress and inconvenience caused.

### **My final decision**

My decision is that I uphold Ms F's complaint and direct Tesco Personal Finance PLC trading as Tesco Bank to settle by paying her a total of £150 (less any compensation already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 8 February 2024.

Marco Manente  
**Ombudsman**