

The complaint

Miss N complains in respect of her credit card with Barclays Bank UK PLC trading as Tesco Bank ('TB').

What happened

The parties are familiar with the background of this case, so I won't repeat it in detail. It reflects my informal remit.

Miss N complained to TB that she was unaware a Direct Debit payment to service her card minimum payment had bounced. She says TB's app showed the account was up to date.

Miss N said she later discovered the payment didn't go through and TB charged her late fees and added a payment marker to her credit file to show she had missed her due date. She says the following month the minimum payment increased - which was unaffordable for her as she was going on holiday.

TB said it wasn't at fault for the missed payment, and it showing on her credit file was an accurate reflection of what had occurred. But it said it would waive the late fee as a gesture of goodwill. It also explained how it calculated the minimum payment for the following month and said this had been done correctly.

Our investigator thought TB had acted fairly but Miss N did not. So the matter has been referred to me for a final 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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

I note Miss N has raised some other complaint points since this complaint has been with this service. Such as difficulties with changing the payment due date – or allegations of misinformation TB gave her about her outstanding balance after she complained to it. I won't be considering those here as they are not part of this complaint.

In considering what is fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider having been good industry practice at the relevant time.

Credit files need to accurately reflect account activity, which is supported by relevant guidance from the Information Commissioner's Office. In this case there appears to be no dispute that Miss N's Direct Debit bounced resulting in her not making her minimum credit card payment of £56 by the deadline specified in her March 2025 statement of 18 April 2025. Ultimately, there is nothing to persuasively suggest that TB is responsible for the Direct Debit bouncing here. Therefore, on the face of it, recording a missed payment on Miss N's credit

file is not an unreasonable thing for TB to do. I note TB has removed the resultant late charge as a goodwill gesture. However, with the reasoning above in mind I don't consider it fairly needs to do more here.

I know Miss N has said from looking at the TB app she thought everything was OK and TB should have notified her of the missed payment sooner. It seems the app would show things were fine initially because it appeared the payment was OK, and it got reversed later. So I don't think that is an error by TB. And from what I can see TB wrote to Miss N shortly after the payment deadline to tell her what had happened. But, in any event this wouldn't have made a difference to the reporting on her credit file here – as the payment had already been missed. And from looking at the terms of the account I can see that it warns of the credit file impact of not paying on time. From what I can see there is no specified period in the terms where Miss N could have paid late and avoided the adverse reporting here.

I note Miss N was unhappy the minimum payment in her April 2025 statement the following month had increased to around £140. She had made up around £56 from her late payment received in the new billing cycle - but that left her with £84 to pay still. I note here TB explained how it calculated the new minimum payment on its statements which it issued Miss N. And although the calculation relates to doubling certain amounts it doesn't mean Miss N has been charged double those amounts – it is just the methodology for the calculation. The calculation looks broadly correct (based on what appears to be TB rounding down the pence) and it stands to reason the minimum payment will increase following a missed payment, so I don't think TB has acted unfairly in this regard.

I know Miss N notified TB that she would have difficulty paying the new minimum payment in full due to her holiday that month. However, TB responded to say it would freeze any late fees or charges for one month based on Miss N's circumstances. This appears to be broadly fair to me. If Miss N has any ongoing financial difficulties she should get in touch with TB as to how it can assist. TB should respond positively and sympathetically to this – and if Miss N is dissatisfied with its response she can raise it as a separate matter.

I know Miss N will likely be disappointed by my decision here. However, she does not have to accept it – and may wish to seek advice regarding more formal avenues to continue her dispute if she wishes.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 8 December 2025.

Mark Lancod
Ombudsman