

The complaint

Ms C is unhappy that Barclays Bank UK PLC trading as Tesco Bank (TB) is charging her interest on a balance transfer that she was expecting to be interest free.

When I refer to what Ms C and/or TB have said or did, it should also be taken to include things said and/or done on their behalf.

What happened

Ms C said that she had accessed the Tesco Application on her mobile phone to check for any potential 0% interest balance transfer offers available. She said that in the 'Offers and Services' under 'Credit Cards' she was presented with a list of options. One of the options was 'Transferring a balance' and Ms C said that this is where it listed an offer for 0% interest for 29 months. So, she said she selected this option and followed the application process all the way through to specifying the balance transfer amount and then agreed for a credit check to be performed.

Ms C later said her credit check was successfully completed, and she was informed that her balance transfer would be processed within 48 hours. However, when she checked her credit card later, she discovered the transfer has been completed but she was getting charged a standard rate of interest. Ms C said that she now understands that the offer she applied for was only for new products but the way it was presented was ambiguous and misleading. Ms C has said that this has significantly affected her health, as this was during a very difficult time in her life when she was dealing with a lot of family circumstances.

In November 2024 TB wrote to Ms C. In summary, they said that after reviewing her account, they could see that there were no 0% interest rates available to her at that time in question. They said the last time such an offer was available on her account was in March 2024 and the transfers had to be requested by 1 March 2024 to be eligible.

TB said that when Ms C requested a balance transfer for the amount of £6,032 via the mobile application on 22 October 2024, there were no interest free rates available, so the interest started to accrue from the day her balance transfer debited which was 23 October 2024. TB said the interest was correctly applied and will continue to accrue until the balance is repaid in full. Also, they said they confirmed to her via their mobile application that her standard rates will apply.

In that correspondence TB also said that they are aware that Ms C called on the 11 November 2024, but they could not hear the entire call so, they said, they cannot confirm what Ms C was advised. As such, they cannot confirm whether she was or was not told that if she cleared the full balance, they would refund the fee of £240.68 and the interest of £68.58 charged to the account and that the issue would be dealt with within 72 hours, as mentioned by her. As TB could not evidence what was discussed on that call, they upheld this part of Ms C's complaint and said they will award £30 compensation directly into her account within 12 days. TB also waived the interest on her account until 7 January 2024, as a gesture of goodwill, to allow her the opportunity to clear her balance, without accruing any further interest.

Ms C was not happy, so she referred her complaint to Financial Ombudsman Service (Financial Ombudsman).

Our investigator was of the opinion that based on the available evidence they could not reasonably say TB had acted unfairly by not providing Ms C with a 0% interest balance transfer offer. The investigator said that looking at the information, and how it had been laid out, they could not reasonably say that when Ms C applied for the balance transfer option she had not been told that a standard interest rate would be applied.

Ms C disagreed with the investigator. So, the complaint has been passed to me to decide.

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.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – which is to say, what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

Ms C has very strong feelings about this complaint, and she provided detailed submissions in support of her view. I can confirm, I have read and considered the submissions in their entirety. But I have summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. If there is something I have not mentioned, I have not ignored it. I have not commented on every individual detail. But I have focussed on those that are central to me reaching, what I think is, the right outcome. This reflects the informal nature of the Financial Ombudsman as a free alternative to the courts.

Also, I would like to express my considerable sympathy for the position Ms C is in. I know this has been a very difficult time for her, she explained how this situation has significantly affected her health, as this was during a very difficult time in her life when she was dealing with family bereavements. With that in mind, I know that what I am about to say will be unwelcome news to Ms C, and I am truly sorry if my decision adds to her distress. However, I'm unable to uphold her complaint.

Ms C said that she now understands that the offer she applied for was only for new products, but the way it was presented was ambiguous and misleading. So, I have taken what she said into consideration and the information she has provided. I have also taken into consideration what TB have provided.

TB gave our service a copy of the pre-application information that would have been provided to Ms C when she requested the balance transfer and the process flow chart for a balance transfer application. From this I can see Ms C would have needed to select the credit card and the balance transfer she wanted. During this process, she would have been provided with information regarding the offer and what it entailed. This, among other information, would have included information that would indicate whether it would be a standard interest rate or a different promotion plus the applicable fee for the transfer. So, I think most likely, from this information Ms C would have been aware that she was applying for a balance transfer that had a standard interest rate applicable before she needed to click the submit button.

In addition, TB have provided information which shows what offers they had available at the time. And from this evidence I can see they had no 0% interest balance transfer option in October 2024 which would have been available to Ms C.

I know that Ms C said that she saw a 0% offer on a balance transfer on one of the earlier screens in the mobile application, so she questions why it was still there, if it was not available to her at that time. I have considered this argument, but TB have confirmed this would have been an introductory offer for new accounts and not one that is available on an existing credit card account, such as Ms C's. Also, like I mentioned before, I think before Ms C clicked submit, she, most likely, would have had all the required information to make an informed choice.

Considering everything, I have not seen enough evidence to be able to say that TB have treated Ms C unfairly by charging her interest and a balance fee for balance transfer that she requested.

I know that Ms C also feels that TB have not acted in compliance with the Financial Conduct Authority (FCA) Consumer Duty in their behaviour towards her as a customer. However, I do not think I've seen enough to be able to say that, most likely, TB have treated her unfairly and/or not acted in compliance with the FCA Consumer Duty in their behaviour towards her as a customer. So, while I sympathise with Ms C for the situation she finds herself in, I do not think it is fair or reasonable for me to require TB to take any further action regarding her complaint.

My final decision

For the reasons given above I do not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 5 December 2025.

Mike Kozbial
Ombudsman