

## **The complaint**

Mr N is unhappy that TSB Bank plc charged interest on his credit card account which he feels was applied incorrectly.

## **What happened**

Mr N has a credit card account with TSB and made sure that he paid off the full balance of the account on a monthly basis by the required date so as to not to pay any interest on the purchases that he'd made using the credit card that month.

In May 2024, Mr N successfully applied for a £10,000 balance transfer, which incurred a £500 fee, but which didn't incur any interest for twelve months. However, despite paying off his monthly purchases in full as he usually did, Mr N noticed that he'd been charged £56.03 interest on the account on 4 June.

Mr N spoke with TSB who couldn't explain why the interest had been charged on the account and who refunded £56.03 and placed an interest waiver on the account for the following two months, July and August. However, in October, Mr N noticed that interest had been charged again for both September and October and spoke with TSB again and raised a complaint.

TSB responded to Mr N and explained that in order to not pay interest on monthly purchases, the total balance of the account – including any balance transfer amounts – needed to be paid in full before the required date. And because Mr N had maintained a balance transfer balance on the account, and hadn't cleared the total balance of the account, this was why interest on his monthly purchases was being correctly charged.

However, TSB acknowledged that this should have been explained to Mr N when he called them in June, and so they agreed to reimburse the interest charged on the account in September and October and to waive the interest on the account for November, December, and also for January 2025. Mr N wasn't satisfied with TSB's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. They felt TSB's explanation and interest reimbursements and waivers already represented a fair resolution to Mr N's complaint. Mr N disagreed, so the matter was escalated to an ombudsman 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.

I issued a provisional decision on this complaint on 23 October 2025 as follows:

*When Mr N applied for the bank transfer online, part of the application process was that he was directed to a document entitled 'Important information on transferring balances to your TSB credit card'. This document then had a subheading, titled 'Important information if you*

also use your card for Purchases', which then explained as follows:

*"If you use your card for both Balance Transfers and Purchases and don't pay the full balance each month, you will pay interest on the purchases you make that month at your standard interest rate (unless you are still in a promotional 0% purchase offer period). So even if you pay back all card Purchases in full each month you'll still pay interest on those Purchases unless you also pay back the full amount of the Balance Transfer too."*

Mr N was then required to tick a box to confirm that he had read and agreed to the important information and entered his Internet Banking password as his electronic signature.

As such, I'm satisfied that TSB did inform Mr N at the time that he took the balance transfer that if he continued to use the card for purchases and didn't clear the full balance of the account (including the balance transfer amount) by the required date, he would incur interest on the purchases that he made that month.

After taking the balance transfer, Mr N did continue to use his account for purchases, and because he didn't clear the total balance of the account, he was correctly charged £56.03 interest on his monthly purchases on 4 June. Importantly, it was never the case that Mr N was charged interest on his balance transfer amount – which remained at 0% for the full promotional period. He was only ever charged interest on his monthly purchases because he maintained an ongoing balance (the balance transfer) on his account.

Given that Mr N was informed of the consequences of maintaining a balance transfer balance on the account while continuing to make purchases at the time he took the balance transfer, I feel that Mr N should reasonably have been aware from having been provided with that information why his account had incurred interest.

However, when Mr N spoke with TSB on 5 June, TSB's agent doesn't appear to have understood why Mr N had been charged interest on the account. This meant that the agent missed an opportunity to correct Mr N's understanding. It also meant that the actions of the agent in reimbursing the £56.03 interest on the account that had been correctly charged, and applying an interest waiver for the next two months were unwarranted.

What I feel should have happened at that time is that Mr N should have been correctly informed as to why interest had been charged on his monthly purchases, so that he could move forwards in full knowledge of how his account worked. But I don't feel that the £56.03 interest should have been reimbursed, or a two-month interest waiver applied to Mr N's account, because I feel that Mr N should reasonably have understood why interest had been applied to his account based on the information given to him at the time he took the balance transfer.

That Mr N's understanding was not corrected in June meant that he had cause to call TSB again in October, when the interest waiver had expired and when he noticed that purchase interest had been incurred on his account for the months of September and October – for the same reason as explained above.

At that time, the reason that Mr N's account was correctly incurring interest was explained to Mr N, and TSB agreed to reimburse the September and October interest to Mr N and apply a further three-month waiver on the account. TSB's actions in this regard seem generous to me, and I feel that they already provide fair recompense for Mr N having to call them again in October having not been given clear and correct information in June.

Accordingly, I don't feel that TSB need to do anything further regarding this aspect of Mr N's

*complaint. This is because I feel the only thing TSB did wrong here was not correct Mr N's understanding when he called in June, meaning that he had to call again in October, and because I feel that the interest reimbursements and waivers that Mr N has received from TSB already fairly compensate him for any trouble or inconvenience he may have incurred.*

*Finally, when Mr N submitted his complaint to this service, he also included that he was unhappy that several transactions he'd undertaken on his account weren't visible on his online banking or mobile app.*

*This service doesn't have a free hand to look at every complaint that's referred to us. What we can look at is defined in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook.*

*The relevant section here is DISP 2.8.2, which says that unless the business provides its consent, or unless exceptional circumstances apply, we can't consider a complaint if it's brought to us more than six months after date of the complaint response letter issued by the respondent business.*

*TSB have provided a complaint response letter which they sent to Mr N on 18 September 2023, which addressed this aspect of his complaint. That letter gave Mr N six months from the date of that letter to refer his dissatisfaction in that regard to this service, which meant that Mr N had until 18 March 2024 to refer his complaint about missing transactions to us. But Mr N didn't contact us about this matter until April 2025, meaning that his right of referral for that complaint point had already expired.*

*This means that I have neither the remit nor the authority to consider Mr N's complaint about missing transactions, because Mr N has unfortunately referred that aspect of his dissatisfaction to us too late, as per the DISP rules. Furthermore, TSB have confirmed that they don't agree to us considering that complaint point outside of the referral rights window, and I'm not aware of any exceptional circumstances that tangible prevented Mr N from referred that complaint to this service within the six months that were available to him.*

*It must be noted that the exceptional circumstances clause presents a very high bar. For the clause to apply, the circumstances must be truly exceptional, such that a complainant could not have referred their complaint. An example of when this clause might apply is if the complainant were in a coma, such that they were physically unable to have referred their complaint to us.*

*In taking this position – that this aspect of Mr N's complaint is not one that this service can consider – I've reviewed the complaint received by TSB from Mr N regarding the interest charged on his account, which notably didn't include any reference to missing transactions. I therefore feel that Mr N has added that aspect of his dissatisfaction to the complaint that he referred to this service, and I don't feel that the referral rights that TSB gave Mr N in their response to his interest complaint apply to the missing transactions complaint point.*

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Neither Mr N nor TSB responded to my provisional decision. As such, I see no reason not to issue a final decision whereby I do not uphold this complaint on the basis explained in my provisional decision above. I therefore confirm that my final decision is that I do not uphold this complaint on that basis accordingly.

### **My final decision**

My final decision is that I do not uphold this complaint.

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

Paul Cooper  
**Ombudsman**