

The complaint

Mr W complains that Barclays Bank UK PLC trading as Tesco Bank told him that he'd been pre-approved for a credit card and subsequently declined his application.

What happened

On 4 September 2025 Mr W applied for a credit card with Tesco Bank. He received an email from Tesco Bank confirming that his application had been approved. Mr W signed and returned the credit agreement.

On 18 September 2025 Mr W received an email from Tesco Bank advising him that his application had been declined.

Mr W contacted Tesco Bank to query this and was advised that his application had been declined because a formatting error in his application had triggered a further credit search which led to the application being declined.

Mr W complained to Tesco Bank. Tesco Bank didn't uphold the complaint. In its final response it said the reason for the decline was due to an address amendment which led to a further credit check which showed that Mr W didn't meet the lending criteria.

Mr W remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. They said that Mr W had received an acceptance in principle which confirmed that his application had been approved subject to final checks. The investigator said that Tesco Bank was entitled to withdraw the offer if the further checks showed that Mr W didn't meet the lending criteria.

Mr W didn't agree. He said the email he received from Tesco Bank confirmed unconditional approval of his application and not acceptance in principle.

Because Mr W didn't agree I've been asked to review the complaint.

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 know it will disappoint Mr W but I agree with the investigator's opinion. I'll explain why.

I've reviewed the information provided by both parties. The email that Mr W received when he submitted his application states that his application had been approved.

Tesco Bank has provided a call recording of a call made by Mr W on 4 September 2025. On the call, Mr W states that he thinks he applied for the wrong type of card and that he's received an email confirming that his application has been accepted. The agent confirms that the email that Mr W has received is an acceptance in principle and that the account hasn't yet been opened.

Based on what I've seen, and although I understand why Mr W interpreted the email he received as an acceptance of his application, I'm satisfied based on the contents of the phone call that Mr W was made aware that his application had been accepted in principle only.

An acceptance in principle means that an application has been conditionally approved subject to final checks. If further checks show that an applicant doesn't meet the lending criteria – as was the case here – then the lender can withdraw the offer.

I've reviewed the correspondence that Tesco Bank sent to Mr W. I agree with the investigator that the correspondence could've been clearer in its explanation of what led to the further credit check being carried out. There's nothing to suggest that Mr W provided incorrect address information in his application. There was a formatting issue with the address field on the application which meant that when this was amended by Tesco Bank, a further credit check was triggered automatically. The further credit check showed that Mr W didn't meet the lending criteria.

Looking at what happened here, and whilst it was unfortunate that there was a formatting issue with the address field, I'm not persuaded that Tesco Bank handled Mr W's application unfairly. Even if the formatting issue was due to an error by Tesco Bank, I'm satisfied that the application was always subject to final checks. The checks showed that Mr W didn't meet the lending criteria. I'm unable to say that Tesco Bank made an error when it declined the application for this reason. Nor am I able to say that Tesco Bank treated Mr W unfairly or handled his application in such a way as would warrant compensation.

For the reasons I've explained I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 January 2026.

Emma Davy
Ombudsman