

complaint

Mr M complains that Tandem Bank Limited (Tandem) didn't allow him to make a balance transfer to pay off the credit card he holds with it. He says the definition of 'balance transfers' on Tandem's website is misleading. He wants Tandem to waive interest charges on his card for at least six months and he wants compensation for the trouble and upset he says he's suffered.

background

Mr M holds a credit card with Tandem. He wanted to pay off his outstanding balance using a balance transfer facility from his other cards, but the transaction was rejected so Mr M complained. Tandem didn't uphold the complaint. It said it was clear – in its terms and conditions, that Mr M's credit card didn't allow balance transfers. And the website particularly made this clear in the key features information about the card account. So it didn't think it had misled Mr M.

Mr M said Tandem didn't make it clear that this applied to transfers to and from the card, and the credit card statement itself referred to "*balance transfer interest rates*". Unhappy with the outcome he brought his complaint to us.

One of our investigators looked into the matter. He said Mr M's complaint shouldn't be upheld because Tandem had made it clear – before Mr M applied for the card, that it didn't allow balance transfers. And he thought these were "*general enough*" statements to make it clear it referred to transfers both to and from the card. He also thought the credit card statement Mr M received had been set out using a general format for such statements and didn't mean Tandem accepted balance transfers. In addition, he explained that Tandem offered four different ways for payments to be made – Mr M has said there were only two – which he didn't think was unreasonable.

But Mr M didn't agree. He said the website wasn't entirely clear about matters and he thought the reference to not accepting balance transfers within the terms and conditions related to payments going out and not incoming balance transfers.

He wanted Tandem to include warnings about not accepting balance transfers within its credit card agreements and the application process, and he also wanted interest on his credit card to be waived for a period of time as well as compensation to be paid for the inconvenience he'd been caused. As he didn't accept the investigator's assessment he asked for his complaint to be referred to an ombudsman, and so it's been passed to me for a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can see that Mr M feels strongly about this matter and believes he should be able to pay his credit card balance using funds from other cards he holds. And I can understand Mr M's frustration at the situation and have some sympathy for his position.

But I don't think Tandem has done anything wrong here – which I know will disappoint Mr M, so I'll explain why.

I've looked at Tandem's website and seen "*the lowdown*" section on its credit cards. This section is a simple explanation of some of the main features of the card – and is available for consumers to read before making an application, which is itself an online process. And the section states "*balance transfers – this card doesn't offer balance transfers*". So I think Tandem made it clear in the information Mr W would have been able to see before he agreed to take out the card, that it wouldn't allow balance transfers – and I don't think it's been misleading there.

I've also seen how the same website referred to four other documents that should be read before applying for a card. One of the documents – "*pre-credit information*", also confirmed that "*we don't currently offer balance transfers*". But I haven't seen any statements on any of Tandem's literature – or its website – which suggested that Mr M was allowed to transfer from his other credit cards and pay off his Tandem card.

In particular, the terms and conditions (credit card agreement) that Mr M was required to sign and return to Tandem didn't make any reference to balance transfers. Mr M says this was misleading and he wants Tandem to include warnings that it doesn't allow balance transfers to be inserted into this agreement. But I'm satisfied there's no reference to balance transfers in the agreement because Tandem doesn't currently allow them, and I think that's a reasonable position to take. Mr M says it's unusual not to allow balance transfers onto an existing card, so further explanation is needed within the card agreement. But although Mr M might not be happy with this position – and I know he'd like it changed. I'm not going to ask Tandem to do anything around the explanation it gave Mr M.

Mr M also says Tandem's position is misleading in that it doesn't distinguish between balance transfers *to* the card and *from* the card. He assumed its position was only that it wouldn't allow transfers from its card to another. But I don't think Tandem's statement is misleading. It clearly states that "*this card doesn't offer balance transfers*". I don't think any explanation of whether the transfer is *to* or *from* the card is necessary. I think the statement is unequivocal and encompasses all balance transfers in the way it's written.

Mr M has said his monthly credit card statement referred to balance transfer interest rates. And I've seen how the "*summary box*" on the website also makes reference to the same balance transfer rates. Tandem has said this is just for information purposes and not an invitation for consumers to transfer balances. But I think – overall – the statement Tandem made on its website, that it doesn't currently accept balance transfers, is a stronger representation of its position.

Mr M has said that Tandem only offers two ways to make payments to the card which he says further proves the card is "*restrictive*". But I've seen how Tandem offers up to four different ways for payment to be made which doesn't seem unreasonable in the circumstances

It's clear Mr M isn't happy with some of Tandem's business decisions and practices. But that doesn't mean Tandem has done anything wrong, as I think it's acted in line with its own terms and conditions relating to balance transfers. There's no obligation on Tandem to offer balance transfers – even if Mr M would like it to, as long as it's made that clear – which I

think it has. So I don't think Tandem has acted unfairly here and I'm not going to ask it to do anything in this case.

my final decision

For the reasons that I've given I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 29 June 2019.

Keith Lawrence
ombudsman