

complaint

Mr K complains that Tesco Personal Finance plc (trading as Tesco Bank) wrongly deducted Tesco Clubcard points from his account.

background

When Mr K received credits on his Tesco credit card from a gambling company, he noticed Clubcard points were being deducted, even though the original transaction did not earn Clubcard points. When he contacted Tesco, it agreed to re-credit his Clubcard points but explained the problem was caused because the credit was being processed as a refund. It said it would not make any future adjustments and recommended Mr K contact the merchant directly to ask it to change the way in which it processed the credit.

Our adjudicator did not recommend the complaint should be upheld. She considered Tesco Bank had done enough by refunding the deducted points and explained that this service could not compel Tesco Bank, or the gambling company, to change its systems.

Mr K responded to say, in summary, that Tesco Bank handled his complaint badly and that it's contractually obliged to restore Tesco Clubcard points if they're wrongly deducted again.

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 have seen Tesco Bank's customer contact notes and it is clear that Mr K's complaint wasn't escalated when he was told it would be. Although I accept Tesco Bank did not change its response as a result of the escalation, I consider Mr K should be compensated for the resulting delay. I recommended £100 for this, to which Tesco Bank has agreed.

With regard to the way in which the transaction is processed, I accept the gambling company is processing the credit as a refund and, therefore, Tesco Bank's systems automatically deduct Clubcard points. As the adjudicator explained, this service cannot compel Tesco Bank to change its systems, but, equally, I don't think it's reasonable to expect Mr K to ask the gambling company to do exactly that.

Tesco Bank has said that this issue will be considered "*when future improvements are made*" but, in the meantime, I consider Tesco Bank has responded reasonably to this complaint by re-applying the Clubcard points and agreeing to pay Mr K £100.

my final decision

My decision is that I uphold this complaint in part. Tesco Personal Finance plc (trading as Tesco Bank) should pay Mr K £100 for the way in which it handled his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 18 February 2016.

Amanda Williams
ombudsman