

complaint

Ms D complains about the charges that have been applied to her credit card account by Tesco Personal Finance plc, trading as Tesco Bank.

background

Ms D's direct debit payment of £57 to her credit card account at the beginning of September 2015 had to be reversed. She says that she phoned Tesco Bank to enquire about the payment process but was told she'd need to wait 48 hours for an answer. Tesco Bank applied a returned payment fee of £12 and a late payment fee of £12 to her account. Ms D complained to Tesco Bank but wasn't satisfied with its response so complained to this service. She wants Tesco Bank to refund the fees and pay her some compensation.

The adjudicator didn't recommend that this complaint should be upheld. She noted that Ms D's direct debit in April 2015 was reversed so a late payment fee of £12 and a payment reversal fee of £12 were charged to her account. But they were refunded to Ms D as a gesture of goodwill. She also noted that Tesco Bank says that the fees applied in September 2015 were in line with its terms and conditions and she could see that the fees were also mentioned on Ms D's monthly credit card statements. So she concluded that Ms D was aware that she'd be charged. Although Ms D contacted Tesco Bank, her payment was late so the adjudicator didn't think that it was unreasonable that Ms D was charged for that. She also concluded that there was no evidence to show that Ms D would have been able to make the payment on time had her query been answered more quickly. So she was unable to conclude that the fees were applied unfairly and she couldn't ask Tesco Bank to refund the £24 of charges.

Ms D has asked for her complaint to be considered by an ombudsman. She says, in summary, that: the adjudicator has used an unrelated issue to determine her decision on this complaint; this complaint relates to a contact being made with Tesco Bank on the payment day when she was advised to wait 48 hours to see if a payment was processed; and it is not right and fair that she was advised to wait and then be charged the two fees. The adjudicator replied to Ms D and said that Tesco Bank is within its rights to charge a missed payment fee when a payment hasn't gone through. So she was unable to ask it to reimburse the charges.

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 agree with the adjudicator – and for the same reasons.

my final decision

So my decision is that I don't uphold Ms D's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms D to accept or reject my decision before 22 February 2016.

Jarrold Hastings
ombudsman