

## The complaint

Mr B has complained that Marks & Spencer Financial Services Plc unfairly prevented him from making a transaction which caused a great degree of distress and inconvenience.

## What happened

On 17 July 2021, Mr B made a payment to his credit card for £1,400, this was for his citizenship visa. However, from 20 July 2021, Mr B was unable to use his credit card. He is unhappy as Marks & Spencer's blocked transactions on his account without his knowledge and one of those payments was for his citizenship visa and he was unable to pay for the visa until 9 August 2021.

Mr B has described the experience as *"the worst two weeks of his life"*. He says the whole situation caused a great deal of distress to him and his family as he was concerned he would be deported. He says he had to take a week off work to try and resolve the situation and had to borrow the funds from his friend. He feels he has been a victim of racial discrimination.

Marks & Spencer say it sent Mr B a renewal card on 20 July 2021 as his card was due to expire in September 2021. However, on 1 August 2021, a staff member from its fraud team contacted Mr B to advise that there had been an attempt to make a purchase on his credit card to retailer C. Marks & Spencer says Mr B confirmed he wasn't trying to register his card with the retailer, as such Marks & Spencer advised it would block the credit card for security purposes and issue a new card. Mr B received the 'renewal' credit card, but as a block had been put on the account, since the card had been issued, Mr B was unable to use it. So, when he attempted to do so at an ATM machine, his credit card was kept for security reasons.

On 9 August 2021, Mr B attempted to make a transaction to N for £1,349.20, (this was for his visa) but this was referred to the fraud team. Mr B spoke to a member of staff from the fraud team and he was told this was blocked due to a security measure because Mr B had a large credit on his account. However, eventually Marks & Spencer put an override on the spend so the payment could go through.

Mr B raised a complaint with Marks & Spencer who looked into his concerns. However, it didn't feel it had done anything wrong by blocking Mr B's credit card. It says it had done so as Mr B had said he didn't recognise one of the transactions. However, it did acknowledge that it should have told Mr B about being over exposed on his credit card sooner than it did. As such, it offered Mr B £50 for the distress and inconvenience it caused.

Mr B remained unhappy and brought his complaint to our service. Our investigator looked into Mr B's concerns, and recommended the complaint be upheld. In summary he said, that while he didn't agree that Mr B had been treated unfairly due to his race, he did think the service Marks & Spencer provided on 1 August wasn't satisfactory. As such, he said Marks & Spencer should pay Mr B £200, meaning a total payment of £250 (including the £50 offer by Marks & Spencer). Marks & Spencer's didn't agree, so the case was passed to me to consider.

## 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.

Having done so, I agree with the investigator's findings for broadly the same reasons. I will explain why.

Firstly, I should explain, Mr B says that Marks & Spencer's have discriminated against him on the grounds of race. I would like to highlight that it is not my role to decide if the Equality Act 2010 has been breached as that's for a court to decide. However, I've looked at whether Mr B was treated fairly with the actions Marks & Spencer's took.

The first issue started on 1 August 2021 when Mr B was first contacted by the fraud team to enquire if he had made a payment to retailer C. Of course, Marks & Spencer acted in accordance with its security measures when it contacted Mr B to check if it was him who was attempting to make a payment. As such, I am satisfied Marks and Spencer acted fairly in checking this payment.

However, having listened to the call, I don't agree it was handled well, the call wasn't clear and I don't agree that Mr B understood. In the first 38 seconds of the call, the line wasn't good and both parties were struggling to hear each other. The advisor went on to say, *"I wanted to check if you were trying to use your card with C today for, were you trying to register your card with C"*. Mr B seemed confused and said *"errrrm no"*. The advisor then said *"oh so that could be fraud then, I need to take you through a verification check"*

As the advisor continues with the verification check, she confirms again, *"so you say you didn't try and use your card with C today and it is fraud right?"* Mr B again seems confused and says *"so, just now?"* The advisors says *"it is today that you did it a couple of minutes back"* And Mr B says *"ye ye a couple of minutes, I am busy doing it."* The advisor then asks Mr B if it was him or not and confirms she has already blocked the card. Mr B is very unclear what is happening, and the advisor asks again *"were you trying to register your card with C today"* Mr B starts to say he doesn't know who C is, but before he can finish the sentence, the advisor interrupts him and says *"ok I will take it as fraud"*. She then asks him about another payment on the card and Mr B confirms it was him, but she continues to explain she is blocking the card as he doesn't recognise that payment to C. She then says she is sending a new card, it is clear that at this point Mr B is very confused.

I think it is evident after listening to the call that the questions asked were not always clear, as such I appreciate why Mr B was confused. I am satisfied that Mr B was unsure why the card was blocked, and I don't think it was clear if it was Mr B who was attempting to make a payment to C or not. The advisor was rushing through the call, interrupted Mr B and in my opinion didn't take the care and time to explain her actions properly or to give Mr B a chance to ask any questions. Marks and spencer in communications to our service admitted the advisor rushed the call. And given the nature of the call, I think it's fair to say care should be taken not to cause any undue stress to its customers and to answer any questions they may have. I'm not satisfied this was the case in this call.

Following this, the card was blocked and Mr B contacted Marks and Spencer's via webchat. Having reviewed the webchat conversation, its clear Mr B was unsure why his card had been blocked and he felt it had been blocked unfairly which supports the conclusion I've reached above. To be clear, I am not making the finding Mr B's card was blocked unfairly, but that the reasons why it had been blocked and what that meant for Mr B hadn't been explained to him. Also, time and care hadn't been taken to answer his questions on the call that took place on 1 August 2021. If it had been, Mr B would have been aware he may not

be able to make the up and coming payment he had to make for his visa application and alternative options could have been explored earlier on. Giving the nature of the payment Mr B needed to make, I can see why this would have caused Mr B a great deal of distress and an increased urgency for Mr B to resolve the issue.

I have also considered the events that followed. When Mr B did receive his new credit card, he attempted to make a payment for his visa. However, the transaction was stopped again. Marks and Spencer say this was due to the large credit on his card, so it was declined to prevent greater exposure of loss beyond the existing credit limit. I appreciate, that Marks and Spencer have acknowledged it should have highlighted the credit balance with Mr B sooner than it did, and in recognition of this it offered Mr B £50. Which I feel is reasonable in regard to this aspect of Mr B's complaint.

However, I am satisfied that the degree of distress and worry Mr B experienced due to the lack of clarity and poor customer service in the call dated 1 August 2021 warrants compensation. And in each complaint, we have to consider the specific circumstances of the consumer involved and how the error impacted them.

### **Putting things right**

As explained above, due to the nature of the payment Mr B was required to make, I think being prevented from doing so without understanding why or having the time to ask questions, left him confused and worried about not being able to make the payment. As such, in the circumstances of this case, I feel the £200 recommended by our investigator is fair and reasonable. Meaning the total payment, I require Marks and Spencer to make to Mr B is £250 (this includes the £50 already offered by Marks and Spencer).

### **My final decision**

My final decision is that I uphold this complaint and require Marks and Spencer Financial Services Plc to pay Mr B a total of £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 27 April 2022.

Jade Rowe  
**Ombudsman**