

The complaint

Miss O is unhappy that Marks & Spencer Financial Services Plc, trading as M&S Bank, didn't let her make payments to her credit account.

What happened

Miss O made a purchase on her M&S credit card and tried to make a payment to clear the purchase balance. However, M&S wouldn't allow the payment to her credit account to go through. Miss O wasn't happy about this, so she raised a complaint.

M&S responded to Miss O and explained that the reason her payments to the account had been declined were because the payments would have put Miss O's balance in the position of having a surplus balance, which M&S do not allow on their credit accounts. Miss O wasn't satisfied with M&S's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that M&S had acted unfairly towards Miss O and so didn't uphold the complaint. Miss O remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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 won't be upholding this complaint. This is because I'm satisfied that M&S's decision to not allow account holders to knowingly put their account into the position of having a surplus balance is a commercial decision that M&S are entitled to make and isn't one that leads to an unfair outcome.

Miss O may note that when she was attempting the payments, she had made a purchase on her account. However, that purchase hadn't yet registered on her account such that her account showed a credit balance to be repaid.

This means that when Miss O tried to make a payment to her credit card to clear the purchase amount, the balance of the account was still listed as zero (pending the registering of the purchase that Miss O had made earlier that day) which consequently meant that Miss O's payment was rejected because at that time it would have put the balance of her account into a position of surplus.

I can appreciate that this would be frustrating for Miss O, but I don't consider it to be unfair. In regard to future purchases Miss O might make on her M&S credit account, Miss O will need to wait until the purchase balance is showing as owed on her account before making a payment towards it.

Finally, I note that M&S's monthly statement provides information about the account rules, including that an account holder '*may pay any amount from the minimum payment to the full balance of your statement*', which confirms that M&S don't allow an account to be placed

into a position of surplus.

All of which means that I won't be upholding this complaint or instructing M&S to take any further action here. This is because I feel that M&S have provided a reasonable explanation for why Miss O's payments to the account were declined, and because, ultimately, I'm satisfied that it's for Miss O to comply with M&S's requirements in this regard, rather than it being the other way round.

I realise this won't be the outcome Miss O was wanting, but I hope that she will understand, given what I've explained, why I've made the final decision I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 7 May 2025.

Paul Cooper
Ombudsman