

## **The complaint**

Mr S complains that Marks and Spencer Financial Services Plc trading as M&S Bank registered a default on his account and passed it to a debt collection agency.

## **What happened**

In August 2024 Mr S took out a credit card with M&S Bank. When he opened the account he completed 7 balance transfers.

Mr S didn't make any monthly payments to the account. He says that due to personal issues he didn't open his mail for several months and he didn't understand that the terms and conditions of the account required him to make a monthly minimum payment on a 0% balance transfer.

Mr S complained to M&S Bank but it didn't uphold the complaint so he referred the complaint to this service.

Our investigator didn't uphold the complaint. She said she didn't think M&S Bank had acted unfairly because they had written to Mr S confirming the action they would take, which was in line with the terms and conditions of the account. The investigator said that a statement had been issued to Mr S each month which detailed the minimum amount he needed to pay that month.

Mr S didn't agree. He said it wasn't made clear that he had to make a minimum payment each month.

Because Mr S didn't agree I've been asked to review the complaint.

## **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.

I know it will disappoint Mr S but I agree with the investigators opinion. I'll explain why.

I've reviewed the terms and conditions of the account. These state that a statement will be issued each month setting out the minimum monthly payment. They also set out what might happen if the minimum monthly payment isn't made.

I can see that statements were issued to Mr S each month.

I've reviewed the history of the account, and I can see that Mr S made several balance transfers to the account in November 2024. The statement issued in November 2024 showed that a minimum payment of £25.71 was required by 5 December 2024. Mr S didn't make a payment. The statement issued in December 2024 showed that a minimum payment of £193.37 was due by 4 January 2025. Mr S didn't make a payment.

Statements were issued in January 2025 and February 2025 showing the minimum payment

required but Mr S didn't make payment.

I can see that M&S Bank sent arrears letters to Mr S each month starting in January 2025. On 4 March 2025 M&S Bank issued a Default Notice which required Mr S to bring the account up to date by paying the minimum monthly payments he'd missed by 25 March 2025. The Default Notice explained that if payment wasn't made within the timescale set out, a Final Demand would be issued.

Mr S didn't bring the account up to date by 25 March 2025, so M&S Bank issued a Final Demand which required Mr S to pay the balance on the account - £7759.15 – within 18 days. Mr S failed to make any payments. M&S Bank registered a default and passed the account to a debt collection agency.

Having reviewed everything, I'm unable to say that M&S Bank made an error when it registered a default. Mr S had failed to make payments to the account as per the terms and conditions.

I appreciate that Mr S has said that he didn't open his post for several months, but the statements were also available via the app and M&S Bank have confirmed that Mr S has accessed his account via the app previously.

I also appreciate that Mr S has said that he didn't understand that the terms and conditions required him to make minimum monthly payments. I've reviewed the terms and conditions, and I'm satisfied that the requirements to make minimum monthly payments is set out clearly. Mr S would've been aware of the monthly minimum payment amount from the monthly statements that were issued to him. I can't hold M&S Bank responsible if Mr S chose not to open his post.

For the reasons I've explained above I'm unable to uphold the complaint.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 August 2025.

Emma Davy  
**Ombudsman**