

complaint

Mr K complains that Marks & Spencer Financial Services Plc (trading as M&S Bank) failed to stop overspending on his store card despite it being over the agreed limit. He wants a refund and any default notified to external credit agencies removed.

our initial conclusions

Our adjudicator did not recommend that this complaint be upheld. Mr K had asked for the limit on the card to be reduced and it was, from £3,000 to £500. Mr K told M&S the reasons why he wanted to reduce the limit. It advised the additional card holder could be removed or it could block the card. Mr K did not want to take either step. M&S has explained why the transactions were allowed to go through. This was because they took place on the same day in the same store. Its system for a store card didn't recognise that the limit was exceeded. M&S says if the transactions had taken place on separate days, the later ones would've been declined. As the main account holder takes responsibility for spending on the store card, and had the opportunity to remove the card holder from the account or block the card but chose not to do so, our adjudicator found that M&S cannot be held to blame. It had done nothing wrong.

my final decision

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Mr K was offered the option by M&S to remove the additional card holder or block the card, when he explained why he wanted to reduce the credit limit on it. He did not want to take either step, which would have prevented the card limit being exceeded. M&S have explained how their authorisation system operates, which means that transactions on the same day in the same store are not recognised. It also offered as a goodwill gesture, to amend Mr K's credit file and did so. I agree with our adjudicator that M&S have not done anything wrong or acted unreasonably. Whilst I appreciate Mr K's strength of feeling, I don't consider it unreasonable that M&S allowed the transactions, and has sought repayment from him as the card holder.

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr K either to accept or reject my decision before 9 November 2015.

Janine Allen

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.