

complaint

Mr H complains that Marks & Spencer Financial Services Plc ("M&S") didn't treat him fairly when he tried to carry out a balance transfer on his account.

background

M&S wrote to Mr H in August 2015 to tell him that it had reviewed information held with CIFAS (the UK's fraud prevention service) and was withdrawing his credit facility. M&S told Mr H that he could contact CIFAS for a copy of the information. Mr H later found out that the entry had been made in error by his other bank. M&S reinstated Mr H's credit facility.

At the end of August 2015, Mr H tried to make a balance transfer. But M&S wouldn't complete the transfer as it said there was a collections marker on Mr H's account. The bank said Mr H had exceeded his credit limit that month.

Mr H complained and M&S agreed that it made a mistake. Mr H hadn't exceeded his credit limit. The bank extended the balance transfer offer and this went ahead in early September 2015.

M&S offered £50 to Mr H and he accepted this at the time. But Mr H doesn't think the compensation adequately reflects the level of upset he felt when M&S wouldn't action the transfer. Mr H says his bank holiday was ruined and he feels upset at being accused of lying about his account.

my findings

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 conclusions of our adjudicator. M&S accepts it made a mistake when the security team didn't mark Mr H's customer notes as satisfied after CIFAS retracted the entry. This meant that Mr H's account appeared in collections even though he wasn't in arrears or over his credit limit.

On the same day that Mr H tried to carry out the balance transfer, he spoke to a team manager who told him he hadn't exceeded his credit limit. But that another department would look in to the matter and call Mr H back on 2 September 2015.

I find M&S acted reasonably when it did this. Although I can appreciate Mr H was upset to be told his account was in collections, the team manager was able to reassure him that he hadn't exceeded his account limit that month.

Mr H spoke to various members of staff on 1 September. I'm persuaded that they were able to explain what had gone wrong. M&S promptly apologised for the mistake and gave feedback to the relevant member of staff. I find this, together with the bank's payment of £50 reasonable and in line with the kind of level of award this service would usually make. I don't find it fair to require M&S to pay more than it already has.

Mr H was able to take advantage of the interest free balance transfer offer so he hasn't lost out because of the delay dealing with his transfer request. Overall, I don't find the complaint should be upheld.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 December 2015.

Gemma Bowen
ombudsman