

## **The complaint**

Mr W complains that Marks and Spencer Financial Services Plc ("M&S" hasn't credited all of his repayments to his loan account.

## **What happened**

In July 2022 Mr W took out a loan with M&S for £13,000. Mr W believes that he's made a number of repayments which haven't been credited to his account. He complained to M&S.

M&S upheld the complaint. It said that Mr W had made a number of payments which didn't reach his loan account because they had been returned to his bank account. This was because there was no reference number with the payments, so M&S didn't know which account to credit the payments to. M&S provided Mr W with details of the payments it had received by bank transfer and identified those which had been returned to his bank account. M&S advised Mr W that it had made the decision to write off the outstanding balance on the loan (£9,895.71) due to Mr W's circumstances and ill health. It said the late payment markers recorded at the credit reference agencies would remain as they were a true and accurate reflection of how the account had been run.

Mr W remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said she was satisfied that M&S had correctly identified which payment were received and which payments had been returned to Mr W's bank account. She said that M&S had done more than enough to put things right.

Mr W didn't agree. He said that although the balance had been written off M&S were still taking payments. He said he didn't think the payments he'd made lined up. He said he wanted compensation.

This service asked Mr W to provide bank statements so we could check to see whether M&S was still taking payments for the loan.

Mr W provided some credit card statements but didn't provide any bank statements.

## **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've reviewed the loan account statements and I can see that several payments made by Mr W have been manually applied to the loan. I can also see from the information provide by M&S that it received some payments which it wasn't able to credit because there was no reference number. I think these are the payments which Mr W says haven't been credited – and he's right – but these payments have been returned to Mr W's bank account, so he hasn't lost out financially.

I appreciate that Mr W spent a lot of time on the phone to M&S trying to resolve the issue of the missing payments. I understand how frustrating this must've been. However, I don't think

M&S has made an error by reporting missing payments to the credit reference agencies, because the payments that were received with no reference can't be treated as "payments received" as they had to be returned to Mr W's bank. For this reason, I won't be asking M&S to remove the late payment markers. And I don't think this is a case which warrants compensation, because M&S has agreed to write off the loan, which is a significant concession.

M&S has written off the loan now so there's nothing further for Mr W to pay.

Mr W told this service that M&S has continued to take payments, but I haven't seen any evidence of this.

Taking everything into account, and in view of the fact that M&S has written off the loan and there's nothing more for Mr W to pay, I won't be asking M&S to do anything further.

### **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 W to accept or reject my decision before 16 May 2024.

Emma Davy  
**Ombudsman**