

The complaint

Mrs and Mr S complain that Marks & Spencer Financial Services Plc, trading as M&S Bank, cancelled their credit card.

What happened

Mrs and Mr S didn't recognise a transaction made on their credit card. When M&S Bank investigated the concerns, they decided to block the card and send a new one.

Mrs and Mr S were upset that this led to them receiving several messages from suppliers about failed payments. They complained to M&S Bank and said it was unnecessary to cancel the card as they hadn't suggested there had been fraud. They thought M&S Bank should have ensured they understood the card was being cancelled.

Our investigator didn't think M&S Bank had done anything wrong. But Mrs and Mr S didn't agree so the complaint has been passed to me, 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.

M&S have explained that when unauthorised transactions are reported to them it is their policy to cancel the card and issue a new one. That's a process that I've seen many credit providers use; it's common practice and seems sensible to me to ensure that consumers accounts are protected from further unauthorised transactions and fraudulent activity.

Mrs S and Mr S say that they hadn't claimed the activity was fraudulent, but I don't think M&S Bank were unreasonable to categorise it in that way. If the transaction wasn't recognised there was a risk it could be fraudulent, and Mr S had been adamant that he didn't recognise the transaction.

M&S Bank had told Mr S that the card would be deactivated. And if the card was deactivated and a new card, with a new number, was issued, it would follow that repeat transactions made with the original card would fail when the details could no longer be recognised. I understand that Mrs and Mr S would have liked M&S Bank to explain that in further detail, but I think they did enough. They told Mr S that they would place a permanent block on the card.

I don't think M&S Bank's correspondence was too lengthy or difficult to understand and, overall, I don't think they did anything wrong here or that they need to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 2 October 2024.

Phillip McMahon
Ombudsman