

## **The complaint**

Ms P complains that Marks & Spencer Financial Services Plc declined her application for a credit card after she says it implied she would be approved.

## **What happened**

In December 2022, Ms P made an application for a Marks & Spencer credit card online. Ms P contacted Marks & Spencer on 16 January 2023, as she hadn't had an outcome response to the application – letting her know whether she had been accepted or declined.

Ms P's application was referred to the underwriting team on 16 January 2023, and Ms P was asked to provide a copy of her payslip before the application could continue. Ms P provided a copy of a payslip, however upon further review of her application, she was declined.

Ms P complains that when she spoke to the agent on 16 January 2023, she says she was told that the application had been approved and she just needed to send in a copy of her payslip. And she says that when she called to make her complaint, the person she spoke to tried to stop her from making a complaint. To put things right, Ms P says she would like the credit searches removing from her credit file, an apology and £250 compensation.

Marks & Spencer responded to Ms P's complaint but didn't uphold it. It said it hadn't made an error in declining Mr P's application and it would only remove a credit search if it had made a mistake.

An Investigator also looked into Ms P's complaint. They thought Marks & Spencer had fairly declined Ms P's application. The Investigator listened to the call Ms P had with the agent on 16 January 2023 and didn't find that Ms P was told the application had been approved. And so, the Investigator didn't think Marks & Spencer needed to do anything to put things right for Ms P.

Ms P didn't agree with the Investigator. She explained that she came away from the call with the Marks & Spencer agent with the impression that the card had been approved. And one of the reasons for this was because the agent asked Ms P how much she would like her credit limit to be.

Because an agreement couldn't be reached, the complaint has been passed to me to make a decision on the matter.

## **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.

Having considered everything available to me, I won't be upholding Ms P's complaint. I appreciate this decision will come as a disappointment to Ms P, however I will explain my reasons for this below.

There is no guarantee that an application for lending will be approved. Whether a business is prepared to lend to a customer is usually determined by its lending criteria. And this service generally wouldn't interfere with a business' commercial decision on what risks it is prepared to take when lending to a customer. There is also an expectation that a business reviews an application to ensure that it lends responsibly.

Looking at what's happened in this case, I can see that Ms P's application was referred to Marks & Spencer's underwriting team before a lending decision could be made. And it requested further information from Ms P in order to be able to continue with the application. Upon reviewing this information, alongside the application Ms P completed, and other information available to it, Marks & Spencer took the decision to decline the application. I haven't seen any information that persuades me its decision to decline the application was unfair or unreasonable.

I have listened to the call Ms P had with Marks & Spencer on 16 January 2023. The agent confirmed that he would proceed with the application and requested a payslip from Ms P. The agent told Ms P that once they were satisfied with the documents, they would accept the application. The agent also asked Ms P what credit limit she wanted in case the application was approved.

While I can understand why Ms P might have thought the application was going to be accepted, I don't agree Ms P was told this. Nor was she provided with incorrect information during the call. I note that Ms P feels that by her being asked what credit limit she wanted implies she was accepted, or going to be accepted for the card, but I can't agree that this is the case. The agent specifically says *"in case we are going to approve the request, how much do you prefer as your credit limit?"* I don't find that this question implies Ms P had or was going to be accepted for the credit card.

Overall, I don't find that Ms P's application for the credit card was unfairly declined - or that it made a mistake in telling her that her application had been accepted when it hadn't.

I have noted that Ms P wants the credit search for this application removing from her credit file. Marks & Spencer has a responsibility to report accurate information to the credit reference agency. And given that Ms P decided to apply for the account, the credit search is a true reflection of what's happened here. So, I don't find it unfair or unreasonable that Marks & Spencer had said it won't remove the credit search from her credit file.

I have also listened to the call Ms P had with the agent when she asked to make a complaint about the declined application. This service doesn't have the power to consider complaints about how a business, like Marks & Spencer, handled a complaint. Aside from this, I have thought about the customer service Ms P has received from Marks & Spencer overall. And having done so, I don't think she has been treated unfairly.

### **My final decision**

For the reasons set out above, I don't uphold Ms P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 20 November 2023.

Sophie Wilkinson  
**Ombudsman**