

The complaint

Mr L complains about Newday Limited's ("Newday") handling of a missing payment.

What happened

Mr L had a credit card with Newday. He paid £746.15 towards the balance on 1 July 2019. Mr L was then notified by text that he had missed a payment. The payment was found and credited on 24 July 2019.

Mr L says Newday didn't keep him updated, which caused him distress and he was put to the inconvenience of investigating what had happened.

Newday accept there was a delay crediting the payment, they say this was due to an invalid reference number being quoted when the payment was made. Mr L was told that the payment had been found in August. As the payment wasn't made late, Newday refunded the late payment fee of £12 and refunded additional interest of £9.11. In addition, they paid two goodwill payments of £10 and £11.55 and paid a further £110 in compensation. Mr L's credit file hasn't been affected.

Our investigator considered the complaint about Newday's handling of the late payment. Overall, she thought the compensation paid by Newday was fair and reasonable.

Mr L doesn't agree with the view. He feels that Newday's offer is inadequate. He would like £300 to compensate for the distress and inconvenience he has suffered.

The matter has now come to me 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.

It isn't disputed that Mr L's payment was applied to his account late and he was incorrectly informed that a payment had been missed. Given these circumstances, I think it is fair and reasonable for Newday to put things right for Mr L.

I've seen that Newday removed the late payment fee and refunded the additional interest Mr L was charged. And there was no adverse impact to his credit file. I'm satisfied these steps put Mr L's account back into the position as if the payment had been recorded at the right time.

I think it's foreseeable that this situation caused Mr L distress and inconvenience. I've taken into account that Mr L had been unwell. He had to make calls and went into a third party bank to investigate what had happened to the payment.

I've seen a statement dated 11 August, which showed the payment had been found and credited to the account. Whilst, Mr L says he didn't receive the statement, there's nothing to

show that Newday didn't send it. And I've seen that Newday also wrote to Mr L in August to say the payment had been found and apologised that he'd had to contact them to complain.

I appreciate that Mr L would like more compensation but overall I think the compensation offered by Newday is fair and reasonable, so I won't be asking Newday to do anything more.

My final decision

I'm sorry to disappoint Mr L but I won't be upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 April 2020.

Sarah Tozzi
Ombudsman