

## **The complaint**

Mr F complains that NewDay Ltd asked him unnecessary personal questions when he called to activate his new credit card. When he closed the account, NewDay Ltd wouldn't remove all the information they hold about him from its systems.

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

### *Additional security questions:*

- NewDay are required by the regulator to have reasonable processes in place to protect itself, and its customers, from fraud.
- The process NewDay has in place looks to match details on an application, to data it holds on a person or address from a previous application. If something doesn't match, the application is held until further security questions can be asked.
- In Mr F's case, he used a different email address from a previous application when he called to activate the card, so additional security questions were needed.
- Having considered NewDay's actions, I think it followed a reasonable security process, and don't think it treated Mr F unfairly.

### *Data removal:*

- NewDay are a regulated financial business, and as such have to follow the Financial Conduct Authority (FCA) rules, which include data use and storage. The FCA require businesses such as NewDay to retain data, which is stored on a consumer's credit file for six years. This includes data about credit card applications. This ensures credit files reflect accurate information about consumers.
- NewDay are required, as above, to retain data regarding credit card accounts, for six years. I am therefore satisfied that its retention of data about Mr F's account is necessary and required by FCA rules.

For the above reasons, I do not uphold this complaint.

## **My final decision**

My final decision is that I do not uphold this complaint against NewDay Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 22 July 2020.

Chris Riggs  
**Ombudsman**

