

## **The complaint**

Miss G complains that NewDay Ltd trading as Aqua irresponsibly lent to her and didn't help her when she was in financial difficulties.

## **What happened**

Miss G says Aqua's lending to her was irresponsible, and she would like all charges and interest refunded to her as well as interest paid on that refund. She says Aqua's actions caused her stress and that she opened the Aqua account in around December 2016.

Aqua says the credit card account was opened in July 2016 with a credit limit of £250. It says it carried out proportionate checks and that Miss G was in employment with an income of over £30,000 a year. It says Miss G didn't have any defaults registered on her credit file or any adverse information such as account arrears. Aqua says any charges were correctly applied in line with account terms and conditions. It says Miss G told it in early 2017 that she was in financial difficulties and says it placed a block on the account and asked her to complete and income and expenditure form so that it could help her. Aqua says the form was not returned and it tried to speak to Miss G about her position.

Miss G had brought her complaint to us but our investigator didn't uphold it. The investigator thought Aqua had asked her for the income and expenditure form but Miss G didn't return it. And that any charges or interest were applied in line with account terms and conditions. The investigator thought there was an opportunity for Miss G to return the form before she was admitted to hospital.

Miss G says she wasn't in a position to return the form due to her hospital admission.

## **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 have come to the overall view that Aqua hasn't made a mistake or acted unfairly. I realise Miss G will be disappointed by my decision.

I have looked at the account terms and conditions which I think Miss G would have agreed to when the account was opened in July 2016. Those terms and conditions say that interest and charges will be made in certain circumstances such as when required payments are not made or when spending exceeds the credit limit. I'm satisfied that is what took place here and in those circumstances I don't think Aqua made a mistake or acted unfairly by making the account charges or by applying interest.

I appreciate that Miss G says the lending was irresponsible. But I have not seen any evidence that was the case and I think Miss G was working at the time of the application and I don't think Miss G has told us about any adverse information that ought to have prevented the lending. I also think the credit limit was relatively low and there didn't appear to be any

difficulties until the end of 2016 at the time it appears Miss G lost her job. So I think the lending was affordable and that Aqua's checks were reasonable and proportionate and that the difficulties were caused some time later when Miss G lost her job.

Lenders should treat their customers in financial difficulties positively and sympathetically. I can see that Aqua told Miss G that she needed to complete an income and expenditure form before it could provide such support and that it fairly placed an account block on Miss G's account for a month to allow her time to complete that form. I can see from Aqua's records that it tried to speak to Miss G and in March 2017 asked her again for the form. I don't think Miss G did return or complete that form and in those circumstances I don't think Aqua could have done any more to have helped Miss G. I also think that in line with account term and conditions Aqua was entitled to continue to apply account charges and interest until the account was sold.

I appreciate Miss G says she was unable to return the form due to her hospital admission. I have looked at the document Miss G has given us. It says Miss G was admitted to hospital on 21 April 2017 and discharged on 2 May 2017. I'm satisfied the income and expenditure form was sent to Miss G some three months before her hospital admission. And whilst I accept Miss G was going through a difficult time, I think she had a reasonable time period before her admission to return that form to Aqua.

Overall I'm satisfied the initial lending was not irresponsible and that Aqua tried to help Miss G when she was in financial difficulties. For those reasons I can't fairly order Aqua to refund any charges or interest applied to her account.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 03 September 2020.

David Singh  
**Ombudsman**