

The complaint

Miss M complains that NewDay Ltd trading as Fluid Credit Card (Fluid) transferred a lower amount than she'd asked for onto her new credit card.

What happened

In February 2020 Miss M replied to an offer from Fluid to transfer her credit card balance to them on a zero interest offer. She called them and asked them to transfer £2,692 from her existing credit card. When the agreement came through to her, they'd only transferred £1,299.

Miss M complained. She said that she'd asked for £2,692 to be transferred when she called Fluid. And that the agent had agreed to this. She assumed that her request had been fulfilled. But when she received her statement for her existing card and saw what had been done, she was disappointed. Now she had two credit cards – she only wanted one. And it meant she couldn't benefit from the zero interest offer as much as she wanted to.

Fluid replied in April 2020. They apologised. They couldn't listen to the call but accepted Miss M's version of what had happened. They upheld her complaint and paid compensation of £25.

Miss M brought her complaint to this service in May 2020. Our investigator looked at what had happened. She said that the online application process said that the amount of the requested transfer wasn't the same as the credit limit – and so there was no guarantee that the requested balance transfer would be agreed. Miss M's limit was £1500, and Fluid's policy was to offer 90% of that, so she couldn't have transferred what she wanted. She agreed that the call recording couldn't be found but on the balance of probabilities, she thought that a limit of £1500 had been offered. She thought that Fluid had acted reasonably and the compensation they'd paid was fair.

Miss M didn't agree and asked that an ombudsman review her complaint.

I reached a provisional decision – where I said:

I've reached a different view to our investigator. Because of this, my decision here will be provisional and both sides will have an opportunity to respond before I make a final decision on this complaint.

We have conflicting evidence here. But the problem is that Fluid can't evidence a recording of the call, so we can't be certain of what was said. That means that I must base my decision on what I think is more likely than not to have happened here, on the balance of the evidence that is available.

On 28 February, Miss M's statements show there was a balance transfer completed for £1,298.08 plus a 4% fee of £51.92. There was no interest charged on the transferred balance for nine months.

Fluid have said that a transfer of the full amount wouldn't have been possible as their system. And the online application process would have said *"The amount you enter may not determine your credit limit"*. So, Miss M should have known that the limit and transfer amount were different. And the amount of the balance transfer would have been made clear as the script that the agent would have read out included the words *"I must inform you that the [Balance / Money] Transfer that you are eligible for is X% for [offer term] – this offer applies from the date your account was opened."*

But Fluid haven't been able to evidence a recording of the call. They've shown us that they searched their system for it. Also, they can't show us the welcome pack that would've been sent to Miss M showing the credit limit and agreed terms. There aren't any notes on her account about the transaction or call either. They've suggested that maybe there wasn't actually a successful call – that it didn't get through. But I think this is unlikely as the lending was agreed and the transfer made. And Miss M has shown us her mobile phone bill showing three calls to Fluid on 28 February 2020 – two failed and were for a few seconds, but the last one was for 15 minutes.

Miss M has been clear and consistent with her account of what happened here. She says that the person she spoke to agreed to transfer the full amount that she wanted, and she went ahead on that basis. In the absence of any clear evidence to the contrary, I'm persuaded that what she says happened is more likely than not to be accurate, on balance.

I accept that Fluid's systems and processes wouldn't have allowed for the transfer to be made on the basis that Miss M wanted. But that doesn't change the fact that I'm persuaded that it gave her wrong information, and this was the basis on which Miss M proceeded with the transfer. That, I think, has led to a loss for her. I say this because Miss M has told us that she wouldn't have gone ahead with the balance transfer for the lower amount – as she didn't want to have two cards – so she would have applied for another offer from a competitor.

In working out what's fair to put Miss M in the position she would be in if Fluid hadn't made an error here, I've taken into account that Miss M would have had an interest-free period on the transferred amount of £2,692. So, I think Fluid should pay Miss M the interest she'll have to pay on the extra amount that she wanted to transfer (£1,393) at the rate on her existing credit card (19.95% per annum) for the interest-free period of nine months. This comes out at £208.42, but if either side disagree with my calculations here – they can respond to this provisional decision and set out why.

Fluid were charging a balance transfer fee of 4% - but under the circumstances I don't think it's fair to effectively reduce the award by this amount, so it shouldn't be charged on the amount in question (£1393). Also, Miss M has spent considerable time in putting her complaint together and had been frustrated and distressed by what has happened, so a distress and inconvenience payment of a further £100 is fair.

Miss M and Fluid accepted my findings.

So – I now need to make 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.

As both Miss M and Fluid have accepted my findings, I won't be departing from what I said in my provisional decision, for the reasons I gave in it. So, my final decision is that Fluid should do what I've already suggested here.

My final decision

NewDay Ltd trading as Fluid Credit Card should pay Miss M £208.42, plus a payment of £100 for distress and inconvenience. No balance transfer fee to be charged on the amount of £1393.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 14 April 2021.

Martin Lord
Ombudsman