

## **The complaint**

Mr G complains NewDay Ltd (NewDay) provided poor customer service and failed to send him his credit card statements, resulting in late fees being charged to his credit card account.

## **What happened**

Mr G says in November 2020 charges were made to his credit card account, but he hadn't received his monthly credit card statement, so he emailed NewDay to complain about this - but despite their assurances to get in touch with him they didn't. Mr G says he had to make a number of telephone calls to NewDay who again failed to deal with his complaint. Mr G says NewDay have provided poor customer service and he is concerned his credit rating has been downgraded as a result of their actions. Mr G is looking for NewDay to apologise and increase the level of compensation they offered him.

NewDay says they are sorry for the fact Mr G's original complaint wasn't properly logged on their records which is why he didn't receive a response. NewDay says Mr G changed his credit card statement preferences to online in December 2019, which is why he didn't receive a postal statement, but these was available online. Mr G's credit card statements were reverted back to paper statements in January 2021. NewDay says the late payment charges and interest were correctly applied as Mr G didn't make a payment that was due by 2 November 2020 or sufficient to cover his next month's payment. NewDay says they have not registered any missed payments on Mr G's credit file and apologised for suggesting they had, in their final response letter to him.

NewDay says they have now refunded the late payment fees and interest as a gesture of goodwill and offered Mr G a total of £30 by way of compensation for the inconvenience caused to him.

Mr G wasn't happy with NewDay's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. She felt Mr G had changed his statement preferences to online in December 2019 and that was why he hadn't been receiving paper statements. The investigator says NewDay have now refunded the late payment charges and interest as a gesture of goodwill and have apologised for any inconvenience caused as a result of not logging Mr G's original complaint. The investigator says NewDay have offered a total of £30 by way of compensation to Mr G, which she felt was fair. The investigator pointed out there has been no adverse entries registered to Mr G's credit file as a result of the late payments.

Mr G didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman 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.

Having done so, I have come to the same outcome as the investigator and I will explain how I have come to my decision.

I can understand it would be frustrating and upsetting for Mr G not to hear back from NewDay after registering a complaint with them, given his concerns his credit file may have been affected. When looking at this complaint, I will consider if NewDay have fairly compensated Mr G for the poor service they have provided.

The first thing to say here, is it's not the role of this service to consider complaints about NewDay's complaints process. What I will consider here is whether NewDay, were at fault for not sending Mr G his monthly credit card statements and if they have compensated him fairly, for the inconvenience they caused him when they failed to log his initial complaint correctly.

Mr G's complaint centres around the fact he didn't receive his monthly credit card statements and as a result was unaware a payment needed to be made to his account. Mr G says this resulted in unnecessary late payment fees and interest being charged to his account and was concerned this could affect his credit rating, through no fault of his own. Mr G says NewDay failed to correctly log his initial complaint which meant he had to make a number of telephone calls and NewDay's offer of compensation of £30 does not go far enough.

From the information provided to this service, I can see Mr G changed his statement preferences to online in December 2019 and that is why he no longer received postal credit card statements. Although Mr G says he felt he was persuaded to take this action, I can see no evidence to support that. I say this because I have seen screen shots provided by NewDay, showing Mr G regularly logging in online to his NewDay credit card account, also NewDay have since changed Mr G's statement preferences back to postal statements, so I can't say Mr G didn't have the option to continue to receive postal statements, if that's what he wished.

It is fair to say that in all likelihood, the change in the statement preferences were the likely cause why Mr G failed to make the payment due, in his October 2020 statement and the underpayment the following month. That said for the reasons I have already stated, I can't hold NewDay responsible for that.

Like the investigator, NewDay could have dealt with Mr G's initial complaint in a more efficient way and I can understand that would have been frustrating for Mr G. That said, it's not my role to punish businesses like NewDay when mistakes like this happen, but to ensure they apologise for any inconvenience and make an appropriate compensation payment. I am satisfied NewDay, as I have already explained, weren't at fault for Mr G missing the payment due on his credit card account but even so as a gesture of goodwill they have refunded the late payment charges and interest applied as a result of this. In addition, NewDay have apologised for not providing the level of service they would expect and have offered Mr G a total of £30 by way of compensation.

Contrary to what Mr G may have thought, it has been established there has been no adverse effect on his credit file, and he has suffered no financial disadvantage here. With that in mind, I am satisfied the amount offered by NewDay is sufficient and what I would expect to see in these circumstances.

While Mr G will be disappointed with my decision, I won't be asking anymore of NewDay.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 26 November 2021.

Barry White  
**Ombudsman**