

The complaint

Miss G complains that NewDay Ltd (NewDay) wrongly advised her that a 0% balance transfer would apply to a proposed purchase. She would like either the 0% honoured for three months or interest on her account refunded until the balance is cleared.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead I will 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 have reached the following conclusions:-

- I have listened to the two phone calls Miss G had with NewDay. The first adviser told Miss G if she took out the 0% balance transfer offer, she would be able to make a purchase that would also be interest free. This was incorrect.
- Miss G then had a further phone call with a second adviser who advised her, if she went ahead with the transfer, purchases on the card would incur interest. So, I think Miss G knew she would incur interest on the £900 purchase she wanted to make. And she was made aware of this prior to making the balance transfer.
- NewDay accepts it misled Miss G in its first phone call. It has refunded the balance transfer fee Miss G incurred and paid £25 compensation for the inconvenience caused. I think this reasonable in the circumstances.
- I can't reasonably ask NewDay to honour the 0% balance transfer as Miss G requested since the second call made it clear the 0% balance wouldn't apply to purchases. Neither can I reasonably ask NewDay to refund interest on Miss G's account since I believe it has been correctly applied.

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 30 March 2022.

Bridget Makins
Ombudsman