

The complaint

Ms R complains about the service she received from NewDay Ltd (trading as Aqua) when she tried to extend the payment freeze on her account with them.

What happened

Ms R holds a credit card account with Aqua. A payment freeze had been agreed by Aqua on Ms R's account as her income had reduced due to the impact of the global pandemic. The payment freeze was due to expire in mid-February 2021.

Ms R contacted Aqua in early January 2021 using their secure digital messaging service. She wanted them to extend the payment freeze for a further three months. Aqua said Ms R needed to contact them nearer to the expiry date of the existing arrangement.

Ms R contacted Aqua again using the same system towards the end of January. She asked them when she should apply for the extension. Aqua said she could message back one day before expiry.

Ms R messaged Aqua a week before expiry of her existing payment freeze. During various message exchanges, Ms R says she was repeatedly asked the same questions by different agents and often transferred back into the digital messaging queue. She also said she didn't receive notifications of Aqua's responses. This led to her becoming distressed and frustrated as she was concerned matters wouldn't be resolved before the existing arrangement expired.

Aqua confirmed agreement to the payment freeze extension three days later. But when Ms R checked her account, the payment freeze wasn't showing. She messaged Aqua again, four days later to point this out to them. Aqua agreed the freeze hadn't been applied and confirmed this would be rectified.

When Ms R checked the following day, the freeze was still not showing on her account. Having messaged Aqua a further time, they confirmed it had definitely been applied to her account.

Ms R wasn't happy with the service she'd received so messaged Aqua at the end of February for an email address to complain. Aqua told her there was no email address but they could raise a complaint using their messaging service. Ms R ultimately raised her complaint in early March using a third-party website service. Aqua responded to Ms R's complaint in May 2021. They apologised if the standard of service received didn't meet her expectations and by way of an apology, paid £30 into her account.

Ms R wasn't happy with the apology amount paid and said Aqua had recorded a marker on her credit file while they investigated her complaint. She said this had adversely impacted her credit score with the credit reference agencies. She asked this service to investigate her complaint further.

Our adjudicator thought Aqua hadn't acted fairly and Ms R had been caused unnecessary distress and inconvenience throughout her experience. Our adjudicator also thought there may have been adverse consequences had Ms R not pointed out to Aqua that the new freeze hadn't been applied. He thought Aqua should pay further compensation of £100 to Ms R.

Aqua didn't agree with our adjudicator's findings. They said Ms R didn't have to repeat herself throughout the various messages and their agents had access to previous message details. They said the questions asked were reasonable and the failure to set up the payment freeze was resolved quickly, once highlighted. They didn't agree they should pay further compensation for what might have happened.

As an agreement couldn't be reached, Ms R's complaint has been passed to me to consider.

I reached a different outcome to that of our adjudicator. Because of that, I issued a provisional decision on 14 April 2022 – giving both Ms R and Aqua the opportunity to respond to my findings below before I reached a final decision.

In my provisional decision, I said:

There appear to be various options available for consumers to contact Aqua to discuss their accounts. Aqua's website says contact can be made online, using their smart device app, by telephone or by post. This is Aqua's chosen contact policy and process. It isn't the role of this service to ask a business to alter its procedures or processes or impose improvements on the level of service offered to their customers. These aspects fall firmly within the remit of the regulator – in this case, the Financial Conduct Authority (FCA).

But it is our role to examine and decide whether a business has been fair and reasonable in the manner in which those policies and procedures are applied in the individual circumstances of Ms R's experience with them. It appears Ms R chose to communicate with Aqua using their secure digital messaging service due to her own circumstances.

During the course of the various message exchanges, Aqua made it clear that it wasn't an instant messaging service, so there could be response delays. Ms R would receive notifications of any new messages on her smart device, provided her notification settings had been appropriately set. The service also isn't available 24 hours a day – their message opening hours were frequently displayed during message exchanges.

I've been provided with, and reviewed, copies of all the message exchanges in relation to this complaint. Ms R says she was asked the same questions repeatedly as part of her payment freeze extension application. Like many such services, messages are routed through an automated help system first. This operates as a gate keeper system and helps identify the nature of a query so that it can be directed appropriately. The only repeated questions I've seen appear to relate to this initial help system. So, I don't think it's unreasonable that these questions might be repeated each time.

I've noticed there were a number of occasions where Aqua sent a response to Ms R. But she sometimes didn't respond either before Aqua's agent completed their work shift, or before the message system closed for the day. On those occasions, Aqua told Ms R that the conversation would either be closed or rerouted to the main queue. But Ms R always had the ability to respond and the conversation would then be reactivated and assigned to an appropriate agent. There were also occasions where Ms R sent messages outside of the system's normal operating hours. I can see Aqua did always respond to these.

The key issue here appears to relate to Ms R not receiving notifications when Aqua posted messages. Aqua said they're not aware of any ongoing issues with notifications. Ms R said the notification settings were set correctly on her smart device. Based upon what I've seen, I can't reasonably hold Aqua responsible for Ms R not receiving these notifications.

When Aqua agreed the payment freeze extension, it wasn't initially applied. Ms R identified this and informed Aqua. It appears Aqua acted promptly and corrected their mistake. And following Ms R's complaint, they apologised and paid her £30.

Compensation is a personal thing. What is seen as reasonable by one party may not be considered so by another. Ms R did experience some inconvenience. But I think the amount paid feels fair in all the circumstances here. I appreciate Ms R doesn't agree. But it isn't the role of this service to make awards in order to penalise Aqua for their mistake here. Compensation is also not appropriate for something that might have happened. It can only be considered based upon the actual impact Aqua's mistake had upon Ms R. And I think Aqua's offer does that here.

Ms R also believes that Aqua's actions negatively impacted her credit score. Aqua recorded a query marker which is commonly used where there is a dispute or outstanding query about an account. They are usually removed once matters are resolved. Credit score systems consider many different factors. I can't reasonably conclude that the change Ms R saw in her credit score was as a direct consequence of anything Aqua did.

Ms R says Aqua didn't acknowledge her complaint and she hasn't received any compensation. I can see that Aqua acknowledged her complaint by email via the third-party complaint site she used on the day it was submitted. I also note that Aqua's final response letter states £30 was credited to her account. If this is not the case, I recommend Ms R raise this with Aqua.

I want to reassure Ms R that I do appreciate she was clearly frustrated by her experience of Aqua's digital messaging system. I also realise she will be disappointed, but I can't reasonably say that Aqua acted unfairly or unreasonably here. I also think Aqua acted appropriately and promptly when they corrected their mistake. So, I shan't be asking them to do anything more.

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.

In my provisional decision, I asked both parties to respond with any new information or comments they wanted me to consider.

Aqua responded to say they did not wish to add any further information.

Ms R didn't agree with my provisional decision for the following reasons:

- Ms R's poor health at the time of the incident hasn't been considered; and
- Aqua caused distress and anxiety by failing to follow through on her requests; and
- the distress caused by Aqua could've led to more serious health problems; and
- more serious health issues meant Ms R would be unable to prevent a disastrous situation spiraling with her finances due to personal circumstances; and
- Ms R chose the most communication method most appropriate for her circumstances; and
- Aqua didn't resolve her payment deferral issue quickly as she had to chase it twice; and
- Aqua's actions put Ms R's her finances, mental health and credit score in harm's way.

I've considered Ms R's further comments very carefully. Much of these refer to potential consequences, and while I appreciate Ms R's strength of feeling, I did explain in my provisional decision that I can only consider what actually happened.

I also feel I've explained how Aqua's digital messaging service operates. When Ms R requested an extension of the payment freeze, Aqua had a responsibility to obtain more detailed information from her before agreeing to this. So, this meant that her request needed to be passed to a specialist agent at Aqua. But a specialist agent wasn't always immediately available. I can't reasonably say that Aqua were at fault here. At the time, demand for this type of support was very high. So, it's not unreasonable to expect there might be some delays.

Having reviewed all the messaging transcripts, it appears Ms R wasn't always available when Aqua responded, or she didn't receive their notifications. I certainly don't suggest Ms R was responsible for that. But as I've already mentioned, I've seen no evidence to suggest Aqua were directly responsible for Ms R not receiving those notifications either.

Once Aqua agreed the payment freeze extension, I accept Ms R contacted them twice when the freeze wasn't showing on her account. On the first occasion, it was clear Aqua were at fault. They've accepted this and paid compensation. But on the second occasion, Aqua did confirm the freeze had definitely been applied, albeit it wasn't yet showing for Ms R to see. So, I can't reasonably say Aqua had done anything further wrong.

I do appreciate Ms R's disappointment. Accepting she doesn't agree, I've not been provided with anything that persuades me to change my provisional decision.

My final decision

For the reasons set out above, I don't uphold Ms R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 9 June 2022.

Dave Morgan
Ombudsman