

The complaint

Mr U feels that NewDay Ltd, trading as Amazon MasterCard, has treated him unfairly with regard to his credit card account.

What happened

Mr U had a credit card account with NewDay. Mr U has asked NewDay to challenge some transactions he made with a Merchant over a period of years. Mr U says that NewDay has managed his account badly for a protracted period. So he complained and then later closed his account in December 2021. However it later transpired that there was still some dispute in relation to transactions on his account after he wanted to close his account.

NewDay answered his complaint and felt it hadn't done much wrong in relation to the actual transactions Mr U disputed, but felt it could have done more in relation to the customer service it had provided Mr U. So it paid him £40. But Mr U remained unhappy, so he brought his complaint to this Service.

Our Investigator felt overall that NewDay should refund one particular transaction, specifically £276.09 plus 8% simple interest, that it should remove any associated interest or charges, remove any impact to Mr U's credit report relating to this and pay £100 compensation in light of the trouble and upset caused. NewDay never responded to our Investigator's assessment of the matter. Mr U says he wants £1000 for the trouble he's had in this whole matter. As Mr U remains unhappy, this complaint has been passed to me for a 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.

I considered this case in December and had the Investigator put my thoughts on this case to NewDay in early January with a deadline in mid-January. That deadline passed and I asked the Investigator to chase NewDay which was done, and a new deadline set. That deadline has long since passed and still nothing from NewDay. I've considered that NewDay have had repeated opportunities to respond to this service since September 2022 on the Investigator's position and has been asked for comments in October 2022 and in January 2022 with regard to my thoughts on the matter. All of which has been to no avail.

I have considered the matter afresh in light of NewDay's silence and I must bear in mind the importance of finality to both parties. I must also consider that it would be unfair on Mr U to not bring this matter to a close considering this dispute has been going on for so long just because NewDay remain silent on the matter. So having considered the matter in the round I think it fair and reasonable to issue this final decision at this point.

Mr U has said in October 2021 that he NewDay should issue "*compensation of £100 for all the inconvenience, stress and disruption caused by such incompetency*". In April 2022 Mr U said "*I am also seeking compensation of £1,000 for injuries to feelings, anxiety, time, loss*

and inconvenience caused over a two-year period, all completely avoidable". I'm sorry to hear Mr U say that he's been suffering injured feelings and anxiety as a result of what happened here, and I've kept it at the front of my mind whilst considering these matters.

Mr U has pointed to a number of transactions which he feels are in dispute. NewDay has provided the statements of the account which also show it was closed in December 2021. So although there has been a continuing dispute, it is clear that Mr U hasn't been using the account for day-to-day use since December 2021.

I've considered the statements to see when transactions are recorded (debited) and when they on occasion have been reversed (credited). I note Mr U's comments about some of the comments made by NewDay about such transactions and it seems clear to me that NewDay hasn't been as clear or accurate as it could have been in relation to these matters. I think the statements showing the transactions through the account are more persuasive of the true standing of his account. So clearly there is merit in some of Mr U's comments about what NewDay has said to him in the course of the matter. Although I do note that it seems the Merchant's comments to NewDay haven't been as helpful as they could have been, which hasn't helped the dispute between NewDay and Mr U.

The investigator has clearly set out the net position in monetary terms regarding the various credits and debits relating to these transactions with this merchant. I've considered the evidence available and have decided that this is an accurate summation of the situation. And I note that NewDay has tacitly agreed to this net position in its email of 24 August 2022. And I see that although Mr U has made many thoughtful and well explained arguments since he received the assessments of the investigator, he's not disputed the net position of his account but rather focussed his arguments on the impact on him of what's happened and pointed to broader failings of NewDay as he sees them. So, having considered it all, overall I'm satisfied the correct position is to uphold this complaint and put Mr U back to where he should be and thus Newday should refund the £276.09, plus 8% simple interest from the date the merchant responded as the Investigator explained.

I shall now turn to Mr U's other arguments. Mr U has pointed to substantial impact on him by these events. However I note that in October 2021 he put the figure commensurate with his distress and inconvenience at being £100, but by April 2022 he said it was £1000 despite the account having closed in December 2021 and without explaining why such a substantial increase on the impact on him other than the continued inconvenience of dealing with the matter and the frustration alongside that. Mr U has referred to "*several calls, several emails, several chase up, and we've already had numerous exchanges and discussions between us*". This is the case here as I see it and it is not for this service to award punitive awards in situations where more modest awards are appropriate.

Mr U has pointed to an amount which would be commensurate to situations such as serious disruption to daily life over a sustained period which would include examples such as having to move out of a consumer's home, lack of water and heating or similarly distressing events caused by businesses over protracted periods. I don't think what Mr U has described here approaches this level of distress and inconvenience so I'm not persuaded that I should award such amounts here.

Mr U has talked about injured feelings and anxiety but given very little support or detail to these very important issues. And although I'm mindful of these important issues, I'm not persuaded that his health has been substantially impacted by what happened here, which would necessitate such a substantial award for this.

Mr U says that NewDay's decision to adjust the account after he settled the account was an aggravating factor. However such an adjustment after closing an account is fair if the money

is actually owed (or indeed to be credited). And if Mr U hadn't closed the account it seems likely the same adjustment would have been made, so I'm not persuaded this makes a substantial difference or is sufficient to push the award to the higher levels of award.

Mr U has noted that this service hadn't asked NewDay to review what happened here as part of our assessment of the matter and said "*without this, you're missing a key benefit to your review and an opportunity to stop others having the same problems.*" However this service is set up to be an informal, efficient dispute resolution service between complainants and firms. It is not for me to comment on how NewDay meets its obligations or indeed its commercial decisions as to it administers its business broadly. My role is to come to a fair resolution on the matter at hand with consideration of what happened in the individual dispute's specific circumstances informally and fairly.

Having said all of that I do think Mr U makes a valid point about the amount not reflecting the inconvenience suffered more generally and I also think asking for clarity to his account is not unreasonable in these circumstances particularly given NewDay's silence for a protracted time. So I think an increased award is required from the £100 originally awarded to better reflect the time spent dealing with these matters and the distress resulting from Mr U having tried to bring the matter to an end and not being able to due to NewDay's failing here.

Putting things right

Accordingly I direct NewDay to take the following actions within 28 days of being notified of Mr U's acceptance of this decision.

- Refund the £276.09, plus 8% simple interest from the date the merchant responded to when it settles this matter to be paid directly to Mr U
- Mr U paid off the balance on the account so any associated interest or charges related to the above refund should also be refunded to Mr U
- Remove any negative impact to Mr U's credit report relating to any transactions involving this particular merchant
- Pay £250 compensation in light of the distress and inconvenience caused.

My final decision

For the reasons set out above, I uphold the complaint against NewDay Ltd, trading as Amazon MasterCard, and direct it to redress the matter as described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 2 March 2023.

Rod Glyn-Thomas
Ombudsman