

## **The complaint**

Mr B is unhappy with the service he received from NewDay Ltd after it gave him notice that it planned to discontinue the brand of credit card he had. He says NewDay made it difficult for him to opt in for the 'Pulse' card before the deadline.

## **What happened**

Mr B had an Amazon branded credit card account with NewDay. In August 2022 NewDay wrote to Mr B to say that card was being discontinued – but he could opt to switch over to its new 'Pulse' branded card instead. The letter explained that Mr B had to call an automated line to opt in, but not doing so by 6 November 2022 would mean his account was closed.

NewDay says Mr B called in once prior to the deadline, on 5 November 2022, but didn't use the automated system to opt in for the Pulse card. Mr B's call logs also show he made a short call to NewDay that day. Around a week after the deadline NewDay closed Mr B's credit card account. The August 2022 notice said he would still need to maintain minimum payments to the debt, but would no longer have use of the credit facility. Both NewDay's and Mr B's records show he called after the account was closed, on 22 and 23 November 2022 – with each call lasting between 10 and 20 minutes.

Subsequently Mr B raised a complaint about not getting a new Pulse card. He said NewDay hadn't sent any correspondence saying he needed to opt in, and felt it had told him the changes would be automatic. Mr B also said he had tried to call to opt in but couldn't get through to anyone due to the long wait times.

NewDay's response said it had sent Mr B a letter in August 2022 explaining what he needed to do to opt in and the deadline for doing so. It also explained he didn't need to wait to speak to anyone, as the opt in service was automated. But NewDay did agree that after the deadline Mr B had experienced long wait times when calling, and to apologise for the inconvenience caused it paid £45 into the account.

Unhappy with the response, Mr B contacted our service. He told us NewDay had made it hard for him to opt in, and in resolution he wanted either the account re-opened with a Pulse card or the outstanding balance to be wiped. One of our investigators reviewed everything and thought the instructions provided in NewDay's letter were clear, and the automated system for opting in wasn't affected by any wait times to speak to an agent. As the evidence suggested Mr B hadn't opted for the Pulse card in time, the investigator thought NewDay had acted fairly by closing the account.

Mr B didn't accept the investigator's view and replied to say he had called NewDay once before the deadline to try and opt in, but no one picked up. He later added that he had opted in and was shocked when the new card didn't arrive, but also that he read online he would be sent one automatically. Mr B's reply to the view included screenshots of negative online reviews about NewDay from other customers.

The investigator considered the responses but maintained his position that NewDay had acted fairly. As no agreement could be reached, the matter was passed to me for a final decision on the complaint.

### **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'm not upholding Mr B's complaint – and for much the same reasons the investigator gave. I know that'll come as a disappointment to Mr B, who feels strongly that NewDay should give him a Pulse card. But I haven't found that NewDay acted unfairly in relation to the account closure, so I've decided it doesn't need to do anything further to resolve the complaint. I've explained my reasoning below.

The instructions provided in NewDay's letter were clear on what Mr B needed to do to switch to the Pulse card, and ensure his account stayed open. I'm also satisfied the letter was likely sent, based on the system evidence I've seen. Mr B's call log evidence agrees with NewDay's records that he phoned once prior to the deadline, on 5 November 2022. But the system evidence I've reviewed shows that he didn't opt in via the automated service during that call. The terms of the account allow NewDay to vary them or end the agreement with 60 days' notice – and here it gave Mr B 90 days to make his choice. So I've found that was sufficient time in the circumstances.

Mr B's testimony around what happened is quite confused. He initially told us he called once before the deadline and tried to opt in but couldn't because no one picked up. Later he said he did opt in and was surprised when the card didn't arrive. At other points Mr B has mentioned calling multiple times before the deadline, but then also said he thought the new card would be sent to him automatically (implying he didn't think he needed to call and opt in). Ultimately, I've found the evidence only supports there having been one short call prior to the deadline – and he didn't opt in during it. Mr B also didn't need to wait to speak to an agent in order to select the Pulse card, as that was done through the automated system. So, even if he did phone on multiple occasions before the deadline, NewDay's call wait times wouldn't have prevented him from making a selection.

I can see Mr B called NewDay after the deadline, and experienced longer wait times – but by then it was too late to opt in. So I don't think those later service issues had any bearing on whether his account was closed. But I acknowledge it would have been frustrating for Mr B to have waited to speak to an agent, only to be told he couldn't have the new card (as the deadline had passed). NewDay has paid £45 for the delays in getting through during those calls, which lasted in total less than half an hour. Bearing in mind the length of time Mr B was waiting, and the associated inconvenience involved, I think NewDay's offer fairly compensates that impact. So I'm not directing it to do anything further to resolve things.

Overall, I've concluded NewDay provided clear instructions but Mr B didn't likely opt in for the new card in time. I don't consider any wait times prevented him making a selection either. Therefore NewDay acted reasonably by closing the account in line with the notice given in the August 2022 letter.

**My final decision**

My final decision is I don't uphold Mr B's complaint about NewDay Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 30 August 2023.

Ryan Miles  
**Ombudsman**