

The complaint

Ms L complains that she is unable to use her NewDay Ltd trading as John Lewis Partnership Card account due to verification problems.

What happened

Ms L says she is unable to register her NewDay account card as she doesn't have a mobile telephone due to signal problems at home. She says she spent a significant time period trying to speak to NewDay about the issue but was unable to get through to it. Ms L says she has lost about £25 in a spending bonus per month. She would like that money paid and for NewDay to provide her with an alternative to using a mobile telephone. She would also like NewDay to employ more staff to answer calls and says she is deemed to fail security as a code is sent to a mobile number.

NewDay says it upheld Ms L's complaint in part and offered £35 compensation. It apologised for the wait times on calls and says it can't provide an alternative to using a mobile telephone.

Ms L brought her complaint to us, and our investigator upheld the complaint. He recommended NewDay pay £65 compensation and that it provides an alternative solution.

I asked both sides for further information. NewDay says Ms L can call it on a landline and it will register her account. It says Ms L will be able to receive security codes via her landline, but it hasn't answered my question about receiving codes when Ms L may be in a store for example.

Ms L says she has tried to contact NewDay to register her card but can't get through to it. She says the system will not work as NewDay say she must have a mobile telephone.

My provisional decision

I issued a provisional decision on this complaint and said that NewDay should increase its compensation offer but I didn't think we could direct that it finds a solution to a problem in circumstances where it may not be able to comply with such an order.

I appreciated Ms L's frustration here that though no fault of hers, she doesn't have a mobile telephone signal at her home. NewDay is aware of its obligations in those circumstances, and I was satisfied that it has now partially offered a solution.

I said there was no dispute here that NewDay didn't deal appropriately with Ms L's initial complaint. I could see that NewDay had fairly apologised and offered compensation. But I also thought NewDay told Ms L that it couldn't offer her any alternative to using a mobile telephone. I had no doubt Ms L spent a significant time period trying to call NewDay and would have been caused inconvenience. I also thought this issue had been ongoing for many months and at least initially, NewDay was unable to offer any form of a solution. For those reasons I didn't think the compensation offer went far enough and provisionally thought NewDay should pay £100 compensation which I thought fairly reflected what took

place and is fair and reasonable. I said I can't fairly order NewDay pay the £25 per month as that depended on an unknown spending amount.

I was satisfied that NewDay has now offered an alternative to the use of a mobile telephone. I appreciated Ms L says she can't get through to NewDay to register her landline and I also didn't think it clear what would happen if Ms L did register the card but was sent a password when at a shop for example. I appreciated that there was an impasse between the parties here. Ms L says she can't speak to NewDay about the registration, and it says Ms L should be able to manage her account via her landline number. But I said it's not our role to work out a solution or sort this problem out. And it may be, this is a problem that simply can't be resolved.

Overall, I was satisfied that NewDay should increase its compensation offer to fairly reflect the inconvenience caused and the length of time it took. But I said I can't fairly order NewDay to implement a solution that may not be workable or that it may not be able to introduce. I said we are not NewDay's regulator and so it was not our role to ensure it complies with Financial Conduct Authority rules and directions. It is also not our role to direct NewDay increase its staff levels as Ms L suggests it do.

NewDay has replied to my provisional view and says it has nothing further to add.

Ms L says she would like the compensation paid to an external account and says the £35 was not paid.

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 overall view I reached in my provisional decision and for the same reasons.

Putting things right

I make clear to Ms L my provisional view was that NewDay pay a total of £100 compensation. It appears that it has paid £35 but Ms L can't access it. In those circumstances NewDay should arrange to pay Ms L a total of £100 compensation to the account she supplies it details of. NewDay can no doubt deduct the £35 from the account it paid it to.

My final decision

My final decision is that I uphold this complaint in part and order NewDay Ltd trading as John Lewis Partnership Card to pay Ms L a total of £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 5 September 2023.

David Singh
Ombudsman