

The complaint

Mrs S has complained that, after she made purchases, NewDay Ltd applied them to the wrong choice of repayment option.

What happened

Mrs S has complained that three items she bought, using finance from NewDay, were bought on 'buy now, pay later' ('BNPL'). But, NewDay has treated these purchases as being on its standard credit terms, so has applied interest.

One of our investigators looked into what had happened. But, he wasn't persuaded that Mrs S had bought the items on BNPL. This was because Mrs S had no evidence to show she had. On the other hand, NewDay had sent her statements for over a year, for each of the three disputed items, showing the applicable interest. Mrs S has explained she didn't read these.

Mrs S also said that NewDay agreed for no repayments to be made, while it looked into things. Our investigator disagreed, as NewDay had consistently sent letters requesting payment.

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 know this will be upsetting, but I agree with NewDay. There's no evidence the three items were bought on BNPL. I accept that Mrs S didn't look at her statements. But that doesn't mean they weren't sent, or received.

I would urge Mrs S to contact NewDay if she's experiencing financial difficulty, if she feels that would be useful. I'd expect NewDay to react appropriately, according to industry standards.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 1 January 2024.

Elspeth Wood
Ombudsman