

## **The complaint**

Mr H complains that NewDay Ltd trading as Fluid Credit Card (NewDay) didn't check his financial circumstances before they agreed to lend to him.

## **What happened**

In August 2021 Mr H applied for a credit card with NewDay. They agreed his application and provided him with a credit card with an opening credit limit of £600. They subsequently increased his credit limit to £1,600 in March 2022. Mr H said he was sent a credit card with the wrong surname and so any checks NewDay did wouldn't have been his. And so they made an incorrect lending decision as the evidence they based it on was flawed. He complained to NewDay.

NewDay acknowledged Mr H's credit card and subsequent correspondence was issued with a mis-spelt surname, and that they hadn't updated his records after he'd notified them about it. They said they'd since amended their records and compensated Mr H £10 for this. But they said the checks they'd carried out had been done correctly.

Mr H wasn't happy with NewDay's response as he said they'd carried out checks against another person. And despite the records being in someone's else' name they defaulted the account. Mr H referred his complaint to us.

Our investigator said she'd considered the evidence provided by both parties and the checks carried out by NewDay reflected Mr H's credit history and she didn't find that NewDay had based their lending decision on another person's financial records.

Mr H didn't agree he said the lending had caused him financial hardship and if NewDay had properly checked they would have seen this. He asked for an ombudsman to decide.

## **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.

Firstly, Mr H has said the lending wasn't affordable for him. I can see that he complained to both NewDay and us about irresponsible lending which has been considered and settled. So, I won't comment further on this. In reaching my decision I will only be considering whether NewDay based their lending decision on checks they carried out for Mr H or whether they'd based their lending decision on someone else's details.

I can understand Mr H's frustration as for some time he was provided with and using a credit card with his surname mis-spelt. His correspondence from NewDay was also addressed this way. So, I've considered the checks NewDay did, and the evidence provided by Mr H as to his credit history around that time. Having done so I'm not upholding this complaint. I'll explain why.

It's not in dispute that NewDay set up Mr H's credit account with a mis-spelt surname, a "d"

where there should have been an “s”. From the evidence I’ve seen this appears to have been caused at the application stage and was an error made by Mr H when typing in his surname into the application form. But Mr H’s surname wasn’t the only identifying factor used in carrying out the required credit checks. His application also gave details of his address and date of birth. And credit reference agencies use the electoral role when collating data, and Mr H was registered on the electoral roll at the address given on the application form. And his date of birth details are the same as those he’s given to us.

I’ve considered the information NewDay said they saw when carrying out these checks. And I’m persuaded that its more likely than not that the similarities in the credit information seen by NewDay and the credit report provided by Mr H are specific to him, namely the mortgage details and the default balance. I can also see that NewDay did another credit check after Mr H applied for another credit card a month later, the correct surname for this application was given, and the credit information obtained was the same as previously obtained except that it now had the addition of the credit card that’s the subject of this complaint. So, I’ve no reason to doubt the credit information obtained by NewDay and used in reaching their lending decision when Mr H applied for his credit card in August 2021 was his.

I understand Mr H will be disappointed by my decision, but I can’t say NewDay has acted unfairly as they’ve used information provided about him to assess his credit worthiness.

Mr H has said that he’d asked NewDay to correct the misspelling on his account several times. While there may have been a misspelling, I haven’t seen any evidence that this caused Mr H any financial loss. Neither have I seen any evidence that this caused him any distress and inconvenience when using the credit card. But NewDay has recognised that their customer service could have been better as they could have amended the details sooner for which they have compensated Mr H.

### **My final decision**

NewDay Ltd has paid Mr H £10 in settlement of his complaint. As I think that’s fair in all the circumstances, I don’t require NewDay Ltd to do anything more to put things right

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr H to accept or reject my decision before 12 December 2024.

Anne Scarr  
**Ombudsman**