

The complaint

Miss T complains about the service she received when she contacted NewDay Ltd trading as Aqua to set up a repayment plan.

What happened

Miss T holds a credit card account with Aqua. The card fell into arrears.

On 22 May 2024 Miss T called NewDay to set up a payment plan to pay off the arrears. She spoke to an agent but was transferred to the incorrect department. Miss T called back and was advised that she had called the correct department when she had first called. Miss T asked to raise a complaint about the previous agent who had transferred her to the incorrect department. Miss T says she was told that someone would call her back about the payment plan, but this never happened.

Miss T complained to NewDay.

NewDay upheld the service complaint. It said the agent shouldn't have transferred the call to the incorrect department and paid £25 compensation to Miss T.

Miss T then received a letter from a debt recovery company. She believed that NewDay should've placed a hold on the account for 30 days whilst she was trying to sort out a payment plan. She complained to NewDay.

NewDay didn't uphold the complaint. It said there hadn't been an error in the administration of the account but that as a gesture of goodwill it had refunded the £12 late payment fee and the last two interest charges totalling £64.89. NewDay said it had offered to set up a payment plan but hadn't heard back from Miss T and as a result the account was terminated and passed to a debt recovery agency.

Miss T remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. He said he didn't think NewDay had made any errors in its administration of the account.

Miss T didn't agree. She said her complaint wasn't about the account being passed to the debt collection agency but was about the customer service she received and the failure to call her back as promised to set up the payment plan. Miss T said she believed that if she'd been called back as promised, a payment plan would've been agreed, and the account wouldn't have been passed for debt collection.

Because Miss T didn't agree, I've been asked to review 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.

I know it will disappoint Miss T but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss T has been clear about what she wants this service to consider. She's said that her main complaint is that NewDay didn't call her back about the payment plan when it said it would. Miss T has said that if NewDay had called her back she would've agreed a payment plan and the debt wouldn't have been transferred to the debt recovery agency.

I've had Miss T's specific complaint in mind when reviewing the available information.

I can see that Miss T initially called NewDay on 22 May 2024 to set up a payment plan. She was transferred to the incorrect department and had to call back, following which she asked to raise a complaint about the customer service. Miss T has said she was told that she'd get a call back about this. I can't see that this happened, however, I can see that NewDay issued a final response to Miss T's service complaint on 14 June 2024, so I'm satisfied that the service complaint was addressed even if the call back wasn't made.

I haven't seen any evidence that NewDay promised to call Miss T back about the payment plan during the conversation on 22 May 2024. The promise to call back was in relation to the service complaint. I've reviewed the call notes for the call dated 22 May 2024 and I can see that Miss T told the advisor she would call back the following day. However, I can't see that Miss T made a call back.

I can see that Miss T contacted NewDay on 11 June 2024 via digital chat. Miss T said she didn't have the available funds to make the payment which was due and asked for more time. The chat was disconnected before NewDay could take income and expenditure details from Miss T. Prior to this, NewDay had issued a Notice of Default on 23 May 2024 advising Miss T that payment of £28.96 was due no later than 14 June 2024 to avoid further action.

I've reviewed the digital chat transcript, but I haven't found any evidence that Miss T was promised a call back about the payment plan.

Following the digital chat, I can't see that Miss T got back in touch with NewDay or that she made any payments. The account was terminated on 15 June 2024 and passed to the debt collection agency.

Having reviewed all the available information, I'm unable to uphold Miss T's complaint. I haven't found any evidence that Miss T was promised a call back about the payment plan. Nor am I persuaded that NewDay made any errors in relation to the administration of the account. The account had fallen into arrears and Miss T didn't take any steps to bring the account up to date. I think it was reasonable for NewDay to terminate the account and pass it to the debt collection agency.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 12 February 2025.

Emma Davy
Ombudsman