

The complaint

Mr P is unhappy about the service he received from NewDay Ltd when he contacted them to query how he had exceeded the credit limit on his account.

What happened

Mr P holds a credit card account with NewDay.

On 21 August 2024 Mr P contacted NewDay via online chat to query which transaction had made him exceed his credit limit and why this had been authorised.

The online chat agent advised Mr P that the reason for his account exceeding the credit limit was due to the interest applied due to Mr P not having paid his statement balance by the due date.

Mr P felt that the agent hadn't understood his question properly and asked to speak to another agent but was advised that the chat couldn't be transferred. The agent suggested to Mr P that it might be better if he contacted the customer service team by phone, or that he disconnected from the chat and reconnected. Mr P didn't want to do this and asked to raise a complaint.

On 21 August 2024 Mr P contacted the customer service team at NewDay and raised a complaint about the service he'd received on the online chat. The customer service agent tried to resolve Mr P's queries but ultimately transferred Mr P to the complaints team.

During the call with the complaints team Mr P said he was unhappy about the service he'd received on the online chat. He said his question remained unanswered and he wanted an explanation for why his account had exceeded the credit limit.

The complaints team agent advised Mr P that the credit limit had been exceeded due to interest charges on his account and a transaction at a supermarket for £26.70. The agent explained that the transactions had been approved because both transactions had occurred on the same day. Mr P remained unhappy with the explanation and asked to speak to a manager. The agent tried to transfer the call, but the waiting time was more than Mr P had given so the agent advised Mr P that his complaint had been raised and he would receive a response in due course.

On 30 September 2024 NewDay issued a final response rejecting the complaint. The letter explained why the credit limit had been exceeded and informed Mr P that the way he had treated the agent was unacceptable.

Mr P brought his complaint to this service. He was unhappy that he'd had to speak to several people before getting a response to his query, he was also unhappy that the final response letter had painted him in a poor light. Mr P said the response had caused him to feel scapegoated. He wants a written apology and compensation for the time he spent trying to obtain an answer to his query.

Our investigator didn't uphold the complaint. He said that NewDay had fairly allowed Mr P to exceed the credit limit and had provided an adequate explanation of why this happened. The investigator explained that this service couldn't investigate the way in which a business had handled a complaint as a standalone issue.

Mr P didn't agree. He said the main point of his complaint was that he had to speak to several people before he received an answer to his query, and that he only received a satisfactory answer when he had a response from the complaints department. Mr P said he found the allegations in the final response letter hurtful, and he wanted an apology.

Because Mr P 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 Mr P, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comment 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.

There are two aspects to Mr P's complaint here. The first aspect is about the answers he received when he queried why his credit limit had been exceeded. The second aspect is about the way his complaint was handled.

I've looked into why Mr P exceeded his credit limit. This was because two transactions occurred on the same day – 18 August - with one of these transactions only being approved the following day. The two transactions comprised the monthly interest on the account and a transaction in a supermarket. The supermarket transaction wasn't debited to Mr P's account until 19 August 2024.

I've looked at the explanation provided to Mr P by NewDay when he called to query how he had gone over the credit limit. I've reviewed the online chat and I've reviewed the call recordings. Having done so, I'm satisfied that NewDay provided a reasonable explanation to Mr P of why the credit limit was exceeded. The agents on the online chat didn't provide incorrect information. The explanation provided over the phone to Mr P was more detailed but was essentially the same response as that which had been provided by the online chat agents. Having reviewed everything I'm unable to say that NewDay made an error or treated Mr P unfairly when he contacted them to query how he had exceeded the credit limit.

I appreciate that Mr P found it frustrating that he had to speak to several agents in connection with his query. However, based on what I've seen, none of the agents provided incorrect information.

I've found that NewDay didn't make an error or treat Mr P unfairly or unreasonably when he called to query why he had exceeded his credit limit.

I'm unable to look into the other aspect of Mr P's complaint. This service can't investigate a complaint about complaints handling, because complaints handling isn't a regulated activity.

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 Mr P to accept or reject my decision before 10 March 2025.

Emma Davy
Ombudsman