

The complaint

Mr D complains that a payment he made to his credit card with NewDay Ltd wasn't credited to his account. He's also unhappy about the customer service he received from NewDay when he complained.

What happened

Mr D holds a credit card account with NewDay. On 29 June 2024 Mr D made a payment of £238.30 to his credit card account via the NewDay app. Mr D says the app requested him to authorise the payment on his banking app, which he did. When Mr D returned to the NewDay app his balance was the same and he couldn't see the payment credited to the account.

Mr D complained to NewDay.

In its final response dated 26 July 2024 NewDay said it hadn't been able to investigate the missing payment due to insufficient information being provided. NewDay said it could see that a payment was made on 29 June 2024 which was showing as pending at its end. It said it had contacted Mr D on 19 July 2024 asking for further details to help it investigate but the information provided was insufficient for it to locate the missing payment. NewDay said that because of the lack of information it wasn't able to identify that it had made an error and it wasn't upholding the complaint.

Mr D remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said that NewDay's records showed a failed transaction on 29 June 2024, but it hadn't received sufficient information to investigate further. The investigator said that Mr D would need to ask his bank to put a trace on the payment.

Mr D didn't agree. He said he had complained about his bank to this service and the investigator had concluded that NewDay had blocked the transaction. Mr D said that in the circumstances he believed that NewDay was responsible for his missing payment.

Because Mr D 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 D 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.

Payment

I understand Mr D's concern that the payment he made on 29 June 2024 hasn't been applied to his account, and his concern that he's been charged twice.

NewDay has told this service that the payment made on 28 June 2024 is showing as pending. It has also told this service that it asked Mr D to contact his bank so that a trace could be put on the payment in order to identify whether the payment had successfully been sent to NewDay. Mr D didn't provide this information at the time of his complaint, so NewDay weren't able to do anything further and didn't uphold the complaint.

I don't think it was unreasonable of NewDay to ask for further information in the circumstances.

I can see that Mr D has subsequently raised the issue with his bank. The bank stated that:

"Although the transaction is authorised, the customer then returns to the retailers page to confirm the authorisation is complete. It is then up to the retailer to request and claim the funds before it will show on our customers account. This was not done on this occasion"

The bank also confirmed that the payment of £238.30 had not debited Mr D's bank account.

This service asked Mr D if he could remember whether he returned to the NewDay page to confirm that he had authorised the payment with his bank. Mr D responded and said he had returned to the NewDay app after authorising the payment with his bank.

This service asked NewDay to comment on why the funds hadn't been claimed by them. NewDay provided screenshots which showed that the payment was attempted on 29 June 2024 but that the payment failed. This service asked NewDay what caused the payment to fail. NewDay responded and said it didn't know the reason why the payment failed and there could be several reasons.

Based on the information I've seen, I can't say why the payment failed. There isn't enough evidence for me to fairly conclude that the payment failed due to an error by NewDay.

What I can be certain of is that the payment wasn't debited from Mr D's bank account. So I'm not persuaded that Mr D paid twice, or that he's lost out financially.

Customer Service

Mr D has also raised some issues regarding the customer service he received from NewDay when he contacted them to complain that the payment wasn't showing on his account.

I've reviewed the communications between Mr D and NewDay. I can see that Mr D contacted NewDay via chat on 30 June 2024 between 9.52am and 9.56am. NewDay stated in the chat that the customer service opening times that day were 10.00am – 6.00pm and that they would reply to Mr D when they were open. I can see that NewDay messaged Mr D at 10.01am but I can't see that Mr D replied to this message or engaged further in the chat.

I can see that Mr D called NewDay on 1 July 2024. I've listened to the call. Based on what I've heard, I don't think there were any failings in the customer service provided. The NewDay agent tried to assist Mr D with the payment query and transferred him to the correct team when Mr D asked to raise a complaint.

NewDay's complaints team called Mr D on 19 July 2024 and requested further information

so they could investigate what had happened to the payment. I've listened to the call. It's clear that Mr D was under some time pressure on the call and didn't have long to speak. Ideally the agent could've offered to call Mr D back at a more convenient time. The agent asked Mr D to provide further information and Mr D asked for the request to be emailed to him. The agent explained that it wasn't possible to send emails directly but explained that an email could be sent via a secure system. I appreciate – having listened to the call – that Mr D didn't want to receive emails in this way. However, it's up to NewDay to decide how they communicate with customers and this service isn't able to require a business to communicate in a particular way or ask a business to change the way it communicates.

Overall, and whilst recognising Mr D's frustration about the missing payment and the need to provide further information, I'm not persuaded that the customer service fell below the standard expected. And as I've said above, I don't think it was unreasonable for NewDay to request further information so that it could investigate what had happened to the payment.

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 D to accept or reject my decision before 27 March 2025.

Emma Davy
Ombudsman