

The complaint

Miss G is unhappy with several aspects of the service that she's received from NewDay Ltd.

What happened

Miss G was unhappy with the service she'd received from NewDay surrounding a payment she'd made to NewDay that NewDay hadn't acknowledged and which was missing, and Miss G raised a complaint with NewDay about these issues on 19 October 2024.

NewDay responded to Miss G on 7 November 2024 and upheld her complaint. NewDay acknowledged that Miss G had experienced several instances of poor service and apologised for these. NewDay also offered to pay £240 to Miss G for any trouble or upset she may have incurred because of what happened. Miss G wasn't satisfied with NewDay's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they felt that NewDay's apology and payment of £240 compensation already represented a fair resolution to the poor service issues that NewDay had addressed. Miss G accepted our investigator's view of this complaint, but was unhappy that a point of complaint – about the missing payment itself – hadn't been considered by either NewDay or this service

Our investigator reviewed Miss G's initial complaint to NewDay and felt that this point of complaint had been raised by Miss G to them. Our investigator therefore asked NewDay to look into this matter further, which resulted in NewDay locating the missing payment on 4 June 2025 and confirming that the payment had been received by them on 11 July 2024.

NewDay apologised to Miss G for the length of time it had taken them to locate this payment and confirmed that it had been retrospectively applied to her account from 11 July 2024. NewDay also confirmed that all interest and fees incorrectly charged to Miss G's account would be reimbursed, that the account would be recalled from the debt collection agency ("DCA") it had been sent to, and that Miss G's credit file reporting would be corrected. Finally, NewDay offered to pay a further £260 compensation to Miss G for the upset and frustration the delay in their locating the payment may have caused.

Our investigator felt that NewDay's apology, corrective action, and payment of a further £260 compensation was fair and reasonable outcome to this aspect of Miss G's complaint. But Miss G didn't agree and felt that a higher amount of compensation was merited. So, the matter was escalated to an ombudsman for a further decision.

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.

Having done so, I note that Miss G has provided several detailed submissions to this service regarding her complaint. I'd like to thank Miss G for these submissions, and I hope that she doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead,

I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Miss G notes that I haven't addressed a specific point that she's raised, it shouldn't be taken from this that I haven't considered that. Rather, I have considered that point, but I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

It isn't in dispute that NewDay provided poor service to Miss G on several occasions. These took place in the period June to September 2024 and included: that Miss G was incorrectly transferred to a wrong department during a phone call and that another phone call was disconnected too early; that Miss G was incorrectly told that a payment hadn't been received; that Miss G was incorrectly told that no further payments would be reversed by NewDay; that a complaint wasn't raised for Miss G when it should have been; that Miss G was given incorrect bank details for NewDay; and that Miss G was given an incorrect date as to when her account was opened.

In their response to Miss G's complaint, NewDay acknowledged the poor service that Miss G had received and apologised for it. NewDay also offered £240 to Miss G for the trouble and upset she may have incurred surrounding these instances of poor service, which NewDay later paid to Miss G.

Matters of compensation can be subjective, but upon consideration I feel that NewDay's apology and payment of £240 compensation does represent a fair outcome to these aspects of Miss G's complaint. In arriving at this position, I've considered the frustration and inconvenience that Miss G may have experienced because of what happened, along with the general framework this service uses when assessing compensation amounts, details of which are available on this service's website. And having taken these factors into consideration, I feel that £240 is a fair compensation amount. I also note that it's commensurate with what I might have instructed NewDay to have paid to Miss G here, had they not already done so.

In consideration of the second aspect of Miss G's complaint – that NewDay didn't consider her complaint point about the missing payment – it's clear that NewDay's mistake in this regard resulted in NewDay not locating the payment Miss G had made when they first should have done. I've therefore thought about how this delay would have impacted Miss G, whether there are any mitigating circumstances that need to be considered, and whether I feel the corrective action that NewDay have now undertaken and the further compensation of £260 that NewDay have paid to Miss G represents a fair outcome.

Notably, this payment, which Miss G appears to have made in July 2024, would have cleared the balance of her account at that time. This would have meant that Miss G's account wouldn't have been subject to the collections and recoveries process that it was, and that it wouldn't have been transferred to a DCA.

It's clear that these events would have been impactful for Miss G, and I note the length of time that the payment was missing. But if Miss G was being significantly impacted by this missed payment, I would reasonably have expected her to have chased this service about this issue. But Miss G initially accepted the first view put forward by our investigator, which didn't address the missing payment service that Miss G received, and while Miss G engaged with this service on several occasions after initially accepting the view, she didn't chase the missing payment until approximately three months later.

Additionally, Miss G hasn't provided any specific instance of adverse impact, such as, for instance, the incorrect credit file reporting having led to a declined application for credit. And

considering these points, I feel it's reasonable to conclude that the impact of the missing payment on Miss G wasn't as serious as it could have been, and that Miss G didn't incur any specific adverse impact during that time – given that she hasn't evidenced this to this service and didn't chase the matter with this service for several months.

Taking all these factors into account, alongside the general framework that this service uses when assessing compensation amounts, I feel that the payment of a further £260 compensation by NewDay to Miss G does already represent fair compensation for the delay in locating the payment and conducting the required corrective action. And I again confirm that this amount is commensurate with what I might have instructed NewDay to have paid here, had they not already done so.

Regarding the corrective action that NewDay have undertaken, this service would expect NewDay to return Miss G, as close as possible, to the position she should be in, had they located the payment when they first should have done. Upon consideration, I feel that NewDay have done this, and I note that they have retrospectively applied the payment to the date it was received, reimbursed any incorrectly charged interest and fees, recalled Miss G's account from the DCA, and corrected the credit file reporting for the account. This is exactly what I would have instructed NewDay to have done here, and so I don't feel that there is any further action that NewDay fairly need to take here.

All of which means that I feel that the apologies, corrective action, and two payments of compensation (totalling £500) that NewDay have paid to Miss G do represent a fair outcome to this complaint. And it follows from this that while I will be upholding this complaint in favour of Miss G, I'll only be doing so to instruct NewDay to pay the further £260 to Miss G, if they haven't made that payment already, and I won't be issuing any further instructions to NewDay beyond this.

I realise this won't be the outcome Miss G was wanting, but I hope that she'll understand, given what I've explained, why I've made the final decision that I have.

Putting things right

NewDay must pay a further £260 to Miss G, taking the total compensation payable to £500, if they haven't done so already.

My final decision

My final decision is that I uphold this complaint against NewDay Ltd on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 28 August 2025.

Paul Cooper
Ombudsman