

## **The complaint**

Mr E complains that NewDay Ltd sent letters regarding his account to an address he never lived at resulting in the account being defaulted and terminated.

## **What happened**

Mr E held a credit card account with NewDay.

In 2020 Mr E experienced financial difficulties and the account fell into arrears. NewDay passed the account to a debt collection agency and Mr E agreed a payment plan for £8.82 per month.

The payment plan ran until April 2023 when Mr E's payment was returned by his bank. No further payments were received from Mr E after this.

In September 2024 the payment plan was terminated and in January 2025 the account was defaulted and passed to another debt collection agency to manage.

Mr E says that NewDay sent default notices and termination letters to an address he had never lived at. He says this wasn't due to him not updating his address details but was due to an internal error. He complained to NewDay.

NewDay didn't uphold the complaint. In its final response it said it had informed Mr E that he was required to pay £82.36 by 12 March 2020 or else the credit agreement would be terminated. NewDay said it didn't receive the payment and accordingly the account was terminated on 13 March 2020. NewDay said it was the customers responsibility to inform them of any changes of address.

Mr E remained unhappy and brought his complaint to this service. He said the correspondence should have been sent to the address he gave when he applied for the card and said he'd never lived at the address where the default and termination letters were sent.

Our investigator didn't uphold the complaint. He said that NewDay had sent letters to an address which Mr E had confirmed with them.

Mr E didn't agree. He said he never knowingly gave 19 St MF as his address and said the address he'd given when he opened the account was 19 KW.

Because Mr E 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 that it will disappoint Mr E, but I agree with the investigators opinion. I'll explain why.

I've reviewed the history of the account. I can see that the account had fallen into arrears by

early 2020, NewDay terminated the account in March 2020 and passed the account to a debt collection agency ("A").

Mr E set up a payment plan with the debt collection agency but stopped making payments in April 2023.

The account was defaulted in January 2025 and passed to another debt collection agency ("L") to manage.

I've checked the addresses to which correspondence and notices were sent to Mr E during this period. In 2020, when the account was terminated and the payment plan was set up, letters were sent to 19 St MF.

Mr E has said that he never lived at this address and never knowingly changed his address to here. However, NewDay's records show that Mr E changed his address to 19 St MF in January 2020. NewDay's records also show that when Mr E spoke to them later in 2020, he completed identification and verification which included confirming his current address.

Based on the information I've seen, I'm unable to say that NewDay sent letters to an incorrect address in 2020, as they were using an address which Mr E had confirmed.

The system notes show that letters from the first debt collection agency "A" were sent to Mr E at 19 St MF. From November 2021 onwards the letters were sent to a different address.

NewDay has explained that a registered address can't be changed without the consent of the customer. So, it seems likely that Mr E provided details of an updated address in or around November 2021.

I appreciate that Mr E has said he never knowingly gave the address of 19 St MF to NewDay and that he lived at a different address during the 2019/2020 academic year.

I can't be certain exactly where Mr E was residing at any particular time, but I'm satisfied that the address to which NewDay and later the debt recovery agency "A" sent letters were addresses which Mr E had confirmed. If Mr E changed address afterwards then it was his responsibility to keep NewDay updated as to his current address.

Having reviewed the available information – including all the information provided by Mr E – I'm not persuaded that NewDay has made an error with the address.

Turning to the default, I appreciate that Mr E wants this removed from his credit file. However, I'm not persuaded that there are any grounds for me to ask NewDay to do this. Mr E's account was in arrears, and the account was defaulted in line with the ICO guidelines. NewDay – like all providers of credit – have an obligation to report accurate information to the credit reference agencies. In this case, the default has been correctly reported.

For the reasons I've explained I'm unable to uphold the complaint.

### **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 E to accept or reject my decision before 22 August 2025.

Emma Davy  
**Ombudsman**