DRN-5682269

The complaint

Mr J complains about the way in which NewDay Ltd trading as Aqua handled his disputed transaction claim. He's also unhappy with the service he received when he tried to contact NewDay.

What happened

On 10 December 2024 Mr J raised a disputed transaction claim for £16.55. The transaction was in US Dollars and had been converted to Sterling. NewDay raised a chargeback on 14 December 2024 and gave the merchant 45 days to challenge the decision. On 17 December 2024 NewDay applied a temporary credit of £16.64 to Mr J's account.

On 4 February 2025 NewDay reviewed the challenge received from the merchant and debited Mr J's account by £16.86.

On 6 February 2025 Mr J contacted NewDay via digital messaging and said he didn't recognise the adjustment debited to his account. The digital messaging team agent advised Mr J that the debit on his account related to the disputed transaction and said he would need to contact the Disputes Team to discuss it.

Mr J wanted to speak to the Disputes Team via digital messaging. He raised a complaint. The NewDay complaints handler explained that there was no online chat facility for the Disputes Team and that he would need to contact them by phone.

Mr J tried to contact the Customer Service team three times on 6 March 2025 but encountered difficulties with the interactive voice response system. His calls were incorrectly routed to the Lost and Stolen Team and although Mr J requested a call back, he didn't receive one.

In its final response, NewDay said it wasn't upholding Mr J's complaint. It said it didn't have a live chat facility for the Disputes Team and provided Mr J with an email address which he could use to send evidence in. NewDay said that a disputed transaction could be raised online and supporting evidence could be uploaded online.

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

Following the referral of the complaint to this service, NewDay acknowledged that it could've handled things better. It said the Disputes Team should've refunded the total amount debited rather than the initial disputed sum and it should've raised Mr J's concerns as a complaint following his call on 7 March 2025. NewDay offered to refund the remaining £0.31 of the disputed transaction and pay compensation of £50.

Our investigator thought the offer was fair and in line with what this service would recommend in similar situations.

Mr J didn't agree. He said he was seeking interest on the sum that he was owed. He said the issue with the voice response system hadn't been resolved and he was still unable to get through to customer services. Mr J said he had only been ab le to speak to Lost and Stolen and had been promised that they would call him back, but this had never happened. Mr J said he believed he should receive more compensation.

Because Mr J 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 J, but I agree with the investigator's opinion that the offer from NewDay is fair and reasonable. I'll explain why.

I've reviewed the account history. I can see that the transaction which J disputed was made in US Dollars. When Mr J raised his chargeback claim, the temporary credit to his account was applied in US Dollars and then converted to Sterling which resulted in the account being credited with £16.64. This was more than the original transaction of £16.55. The reason why this figure was different to the disputed transaction was due to changes in the currency exchange rate.

I can see that the merchant challenged the chargeback, but NewDay wasn't satisfied that the merchant had provided sufficient evidence, so it upheld the claim. NewDay debited £16.86 on 4 February 2025 and credited the account the same day with £16.55 - the price of the original transaction.

NewDay has acknowledged that it should've made adjustments in Sterling to avoid different amounts being credited and debited. It has offered to refund £0.31 to put Mr J back in the position he should've been.

Mr J has said that he is seeking interest on the sum owed. However, I can't see that any interest is due in this scenario, because £16.55 was credited to Mr J's account on the same date that £16.68 was debited. This means that Mr J was without £0.31. The interest on this would be nominal.

In relation to the customer service issues experienced by Mr J, I understand that this must've been frustrating. I've reviewed the account, and I can see that Mr J contacted NewDay three times on 7 March 2025 and successfully spoke to an agent on the third attempt. NewDay has acknowledged that the agent should've raised a complaint for Mr J on that occasion but failed to do so.

Mr J has also complained that he left messages and was promised a call back. I can see that an agent has left a note on the system recording Mr J's dissatisfaction with the voice response system. I can also see that the Digital Wallet Team tried to contact Mr J on 8 May 2025 and 16 May 2025. The system notes show that a voicemail was left for Mr J to call back but I can't see from the notes that he has done so.

I'm sorry to hear that Mr J is still having issues with the voice response system. This service isn't able to require NewDay to change its processes and procedures. However, I can consider the impact that this has had on Mr J and I agree that he's been caused some inconvenience here.

Taking all the available information into account, I think the compensation offered by NewDay for the service issues is fair and reasonable.

Putting things right

To put things right NewDay Ltd trading as Aqua must refund £0.31 to Mr J's account and pay compensation of £50.

My final decision

My final decision is that I uphold the complaint. NewDay Ltd trading as Aqua must refund £0.31 to Mr J's account and pay compensation of £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 29 August 2025.

Emma Davy
Ombudsman