DRN-5698286

Financial Ombudsman Service

The complaint

Mr K complains that NewDay Ltd blocked his card whilst he was on holiday abroad.

What happened

Mr K holds an Aqua credit card with NewDay.

In February 2025 Mr K made a transaction whilst he was on holiday that triggered NewDay's anti-fraud systems. A temporary block was placed on the card.

Mr K had approved the transaction via the online app and had also confirmed that the transaction was genuine by replying "Y" to an SMS message sent by NewDay.

Mr K was unhappy that despite having authorised the transaction the card was blocked.

Mr K tried to contact the fraud team on the number provided by NewDay but after waiting for over an hour for his call to be answered the call was dropped.

Mr K complained to NewDay.

NewDay didn't uphold the complaint. In its final response it said that the restrictions on Mr K's card had been correctly applied in line with the terms and conditions of the account.

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

Our investigator didn't uphold the complaint. They said they were satisfied that NewDay had acted in line with the terms and conditions of the account when it blocked the card.

Mr K didn't agree so 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 K but I agree with the investigator's opinion. I'll explain why.

I've reviewed the terms and conditions of the account. These state that NewDay can block the account if there are concerns that a transaction is unusual or fraudulent.

NewDay – like all banks and providers of credit – is obliged to have security measures in place to protect customers from potential fraud. It's up to NewDay what procedures and processes it puts in place. This service doesn't have the power to ask NewDay to change its procedures, but we can look at whether the procedures have been followed correctly.

When a transaction is flagged as unusual or potentially fraudulent, the procedure will usually be for the transaction to be declined, and the account blocked until the card holder confirms that the transaction is genuine. Sometimes it's necessary for the card holder to speak to the fraud team to verify the transaction and have the account unblocked.

Based on what Ivee seen, NewDay followed its procedures correctly here. So, I'm unable to say that NewDay made an error or treated Mr K unfairly when it applied a block to the card and asked Mr K to contact the fraud team.

I appreciate that Mr K was frustrated by the block on the account because he'd already approved the transaction in the app and responded to an SMS message. NewDay has explained in its final response that sometimes a transaction can flag in another system even though it has been verified as genuine. NewDay also explained that in these circumstances, the card holder is required to reply to an SMS and contact the fraud team. Based on what I've seen, I'm satisfied that this was the procedure that NewDay applied here.

Mr K has said that he experienced difficulties speaking to the fraud team because of long call wait times and his call being dropped. I'm sorry to hear that and I appreciate how frustrating this must've been for Mr K. However, there's no evidence that NewDay dropped the call deliberately and the call wait times depend on the number of customers trying to speak with the fraud team at any given time.

Taking all the circumstances of the complaint into account, I'm unable to say that NewDay made an error or treated Mr K unfairly. I won't be asking NewDay to do anything further.

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 K to accept or reject my decision before 8 September 2025.

Emma Davy
Ombudsman