DRN-5700891

The complaint

Mrs F complains that NewDay Ltd trading as Aqua suspended her account without notice.

What happened

Mrs F holds a credit card account with NewDay.

In August 2024 Mrs F raised a complaint with NewDay about affordability. She ‘s unhappy that NewDay suspended her account without notice and before issuing its final response to her complaint.

NewDay didn’t uphold the complaint, so Mrs F complained to this service.

Our investigator didn’t uphold the complaint. He said that NewDay had suspend the account (as opposed to closing it which was what Mrs F thought had happened) in line with the terms and conditions.

Mrs F 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 Mrs F 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 suspend an account if they reasonably believe that there is a risk that the account holder won’t be able to repay the amount they owe.

Mrs F agreed to these terms and conditions when she took out the card.

In this case, Mrs F told NewDay that the credit card was unaffordable for her. This led NewDay to have concerns that Mrs F might not be able to repay the amount she owed, and it suspended the card to prevent Mrs F incurring further debt. I’m satisfied that NewDay acted reasonably when it suspended the account.

In the circumstances, and although I appreciate that this has been a frustrating experience for Mrs F, I don’t think it was unreasonable for NewDay to suspend the card. By suspending the card, NewDay was acting as a responsible lender and acting in Mrs F’s interests by preventing her from accruing further debt that she was unlikely to be able to repay.

I appreciate that Mrs F has said that she didn’t receive notice that her card was going to be suspended but there’s nothing in the terms and conditions which say that NewDay has to give prior notice.

Based on what I’ve seen, I haven’t found any evidence to suggest that NewDay has made an error or treated Mrs F unfairly.

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 Mrs F to accept or reject my decision before 25 September 2025.

Emma Davy
Ombudsman