

The complaint

Mrs C complains that NewDay Ltd trading as Marbles caused her to have a late payment on her account, which in turn impacted another credit card account she holds with NewDay.

What happened

Mrs C made a payment to her Marbles credit card which didn't then credit her account. Mrs C couldn't make the payment again until the amount had been refunded to her. She was concerned about the impact on her credit file as well as the late payment fee. NewDay subsequently reduced the credit limit on another credit card account Mrs C held with NewDay trading as Fluid.

Mrs C says that NewDay failed to give her enough information about what might happen if she didn't immediately make the payment.

NewDay didn't uphold Mrs C's complaint. It said that as she used the bank details for the payment service, the payment was returned and didn't credit her Marbles account. NewDay confirmed that it hadn't reported a late payment to Mrs C's credit file.

As Mrs C didn't make the payment due on 1 May 2025 until 8 May 2025, her next statement showed arrears on the account. This in turn led NewDay to reduce the credit limit on her Fluid account.

Our investigator didn't uphold Mrs C's complaint. As Mrs C missed a payment, he didn't think NewDay acted unfairly when it reduced the credit limit on her Fluid account. Our investigator said that although NewDay may not have specifically told Mrs C about the risks of not making a payment on time, these were laid out in the conditions of her account. And Mrs C's monthly statement also highlighted the need to make payments on time.

To try and resolve the complaint, our investigator asked NewDay if it would be willing to pay compensation to Mrs C, but it declined to do so.

Mrs C is unhappy with the investigation outcome. She says that we haven't addressed the problem of where she got the details to make the payment. Mrs C says she tried to pay through NewDay's app and used the details provided on the payment system page which appeared to be those of her Marbles account. Mrs C thinks that NewDay should bear at least some responsibility for the mistake.

Mrs C thinks that the fact our investigator asked NewDay to pay compensation to resolve the complaint speaks volumes.

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 realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules which govern us, together with the informal nature

of our service allow me to take this approach. But this doesn't mean I have not read and considered everything the parties have given to us.

My understanding of what happened is that Mrs C tried to make the payment via NewDay's app. This uses an Open Banking payment system which allows NewDay to take payment directly from a customer's bank account. However, Mrs C couldn't complete the payment through the Open Banking payment system. Instead, she used the banking details from the Open Banking payment system labelled Marbles to make the payment directly from her bank account. These weren't the correct details for her Marbles account – instead, they related to the bank which operates the payment service. I understand how the confusion arose, but I don't consider it was because of something which NewDay got wrong. I am also satisfied that Mrs C's statements included the relevant account details and reference to use when making a bank transfer. It follows that I don't find NewDay at fault for the fact that Mrs C's payment didn't credit her Marbles account in time.

When Mrs C contacted NewDay to explain the problem, it agreed to reverse the late payment fee and has since confirmed it didn't report any late payment to the credit reference agencies. I think this was a fair way to respond to her concerns.

I appreciate that the reduction in credit limit on her Fluid account has negatively impacted Mrs C. But the terms of her credit card account allow NewDay to decrease her credit limit if it believes that there is an increased risk that she may not be able to repay the amount she owes. This can be because of the way that a customer manages other accounts they have with NewDay. In Mrs C's case because she made her monthly payment late on her Marbles account, NewDay decided to decrease the credit limit on her Fluid account.

Reducing a customer's credit limit is a business decision with which we wouldn't usually interfere. Even if I were persuaded that NewDay made a mistake – which I am not – I couldn't fairly require it to reinstate Mrs C's initial credit limit. Instead, I would look to make sure Mrs C didn't lose out because of the decision to decrease her limit. As I haven't found that NewDay was to blame for the fact that Mrs C made her payment late, I can't fairly require it to compensate her for any inconvenience caused because it lowered the limit on her Fluid credit card, thereby raising her overall credit utilisation. I am sorry for this.

I understand the point which Mrs C makes about her interaction with NewDay when she queried the late payment fee. I can see that Mrs C told NewDay that she wasn't able to make another payment until she received the money back to her account. So, I wouldn't have expected NewDay to persuade her to make another payment that day. By removing the late payment fee and not reporting the late payment, NewDay dealt with Mrs C's concerns about the fee and her credit score. So, I don't consider it treated her unfairly by not mentioning the possible implications for any other credit accounts she held. Particularly as this information can be found in the terms of Mrs C's account.

It may be worth mentioning that NewDay had already recommended that Mrs C make an extra payment in addition to the contractual minimum payment due by 1 May 2025. This was to help Mrs C clear the balance faster and avoid persistent debt. So, although the late payment triggered NewDay's decision to reduce her credit limit on her other account, other factors may have been at play, making it possible that even without the late payment, NewDay would have decided to reduce the Fluid account credit limit.

Finally, I note Mrs C's thoughts about the fact that our investigator asked NewDay if it would be willing to pay compensation. He did so in an effort to resolve Mrs C's complaint, but I don't think this means that our investigator thought NewDay was at fault. So, this doesn't change my decision not to uphold Mrs C's complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 22 December 2025.

Gemma Bowen
Ombudsman