

The complaint

Ms G complains that NewDay Ltd has blocked the use of her credit facility on two separate occasions, which has caused her a loss.

What happened

Ms G says she has a rewards card, so when she uses the card for certain transactions, she receives rewards.

Ms G says that her card has been blocked on two separate occasions, and so she lost out on rewards. The first happened in July 2024, whereby she was told it was due to a technical glitch. And the second time was in January 2025, when she was told that she must have incorrectly entered her PIN in too many times.

Ms G says she has no memory of entering the PIN incorrectly and so asked NewDay to provide more information about when she did this, which it hasn't been able to provide. She's also said that there aren't any notifications in her app to suggest that the PIN has been blocked.

Ms G says she's had several frustrating communications with customer service, which has been time consuming. She has missed out on reward vouchers due to not being able to use the card. And she has been standing at the checkout not being able to use the card, without warning.

NewDay didn't uphold Ms G's complaint. It explained that the transactions had declined because the PIN had been entered incorrectly too many times. It explained how to unblock the PIN. And it said that it wouldn't be able to provide Ms G with all the times her PIN was incorrect, and that some occasions may have dropped off the system.

When the complaint was referred to this Service, NewDay noticed that it hadn't sent Ms G a copy of the chats she had with agents in July 2024 and January 2025, as it said it would, and so it offered her £30 to apologise for this.

An Investigator considered the information provided by both parties; they felt that NewDay's offer to pay Ms G £30 was fair and reasonable. The Investigator explained that based on the information they'd seen, Ms G's card had been blocked because the PIN had been entered incorrectly. They also explained that if Ms G has concerns about the card having been cloned, then she should contact NewDay in the first instance to see how they can help.

Ms G didn't agree with the Investigator's view. She said she wanted assurances that the card had been blocked because of her actions rather than a fraudster who had cloned her card. She said the way to do this would be to explain when the PIN had been entered incorrectly so that she could confirm whether she was in store at those times. Ms G also adds that she wasn't notified of her card having been blocked.

Because an agreement couldn't be reached, the complaint was passed to me to decide on the matter.

I previously issued my provisional decision on this case. That's because I intended to come to the same outcome as the Investigator, but I explained my reasons for doing so in more detail. Because of this, I wanted to give both parties the chance to respond with any further information they wanted me to consider because I came to my final decision.

I have copied my provisional findings below, which also form part of this final decision.

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having considered all of the evidence available, it's my current intention to uphold Ms G's complaint, for much of the same reasons as set out by the Investigator. I appreciate this provisional decision will come as a disappointment to Ms G; however, I will explain my reasons for this below.

NewDay has provided me with information it says it got from the card scheme, MasterCard. This shows the transactions that had been attempted alongside what had been approved and declined.

Based on the information I've seen, I can see that on 5 July 2024, a transaction for £33.92 is showing as having been declined due to 'Allowable number of PIN tries exceeded'. Then, on 4 January 2025, the same decline code is showing for a payment of £66.32. On 7 January 2025 there were three declined transactions for exceeded PIN attempts for £21.84.

Ms G says she doesn't think she had exceeded the PIN attempts, and she doesn't know when this happened. I have asked NewDay for further information in relation to what it was provided by the card scheme, however this doesn't show any records of when Ms G's PIN was attempted and incorrect – the information only shows when the 'Allowable number of PIN tries exceeded', and the transaction blocked for this reason. NewDay doesn't hold any further information to show when Ms G's PIN was entered incorrectly, and so it can't provide her with any more information than I have outlined above.

I can appreciate why Ms G is concerned around the security of her account and this is the reason why she would like to know when the PIN was entered incorrectly – especially given that she doesn't recall entering it incorrectly. I'm sorry to disappoint Ms G, but this information isn't available. If Ms G remains concerned about the security of her card, then she should contact NewDay in the first instance.

Overall, when taking into account the information that's been provided, I can't fairly conclude that NewDay did anything wrong when Ms G's transactions were declined.

I note that Ms G has also made reference to the app not notifying her of her card being blocked. I have checked the terms and conditions of the Ms G's account to see what it says about declined transactions. In summary, this states that a customer would usually find out if it had refused a transaction because another payment method would be requested – either another card, cash or cheque. The terms and conditions also explain that NewDay would tell the customer (unless the law prevents) why a transaction was refused if the customer contacts it on the details provided – which I presume Ms G has, given that she was able to contact NewDay about the block on the card. While I can understand why Ms G would have preferred to have been notified in the app that her card had been blocked, there isn't any requirement on NewDay to do this. And so I can't fairly conclude that it's acted unreasonably here.

Taking all the information I've been provided with into account, I haven't seen anything to suggest that NewDay has made a mistake in relation to the declined transactions on Ms G's account. I'm satisfied that the £30 it has offered to pay her for the customer service issues is sufficient in the circumstances. So, I won't be asking it to do anything more for her."

Ms G responded to the provisional decision. She didn't say whether she accepted my provisional findings or not. But she explained that she hadn't received the £30 NewDay had offered her. And she said that NewDay had withdrawn this offer since she referred the matter to this Service.

NewDay didn't respond by the deadline.

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.

Given that neither party has provided me with any additional information in relation to the merits of this case, I see no reason to depart from the findings in my provisional decision. It follows that NewDay should settle this complaint by paying Ms G the £30 it has offered her.

My final decision

NewDay has already made an offer to pay £30 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that NewDay Ltd should pay Ms G £30.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 20 November 2025.

Sophie Wilkinson
Ombudsman