

## **The complaint**

Mr B complains that NewDay Ltd trading as Fluid Credit Card (NewDay) acted irresponsibly when they agreed to lend to him.

## **What happened**

In July 2021, Mr B successfully applied for a credit card with NewDay with a limit of £1,500. He believes that NewDay acted irresponsibly in providing him with this account and didn't carry out sufficient checks which meant that the information taken into account was inaccurate. He says he already had significant debts with other lenders at the time and so the lending was not affordable.

Mr B was also unhappy with how the account was later managed. He says he asked to change his payment date but this wasn't done, so payments were frequently late. He had a promotional offer of a 0% interest which he thinks was removed unfairly. He also doesn't feel NewDay acted fairly after he disclosed mental health and financial difficulty concerns with them and they withdrew a breathing space offer. He feels the closure of the account was retaliatory and that he continued to receive messages and calls despite explaining the impact this had on him.

NewDay responded to say they felt that they'd made a fair lending decision and that once they found that the account was no longer affordable, they suspended it so Mr B could not use it.

Mr B wasn't happy with NewDay's response and referred his complaint to us. Our investigator said that they thought the checks carried out were reasonable and proportionate in the circumstances and that the resulting decision to lend was fair. They didn't find that there was sufficient evidence provided to indicate that NewDay had not considered Mr B's request to change payment dates and didn't think that the 0% interest offer was removed unfairly. They also found that NewDay continued to act fairly and with forbearance after finding that Mr B was in financial difficulty.

NewDay didn't dispute this position, but Mr B did. In summary, Mr B noted that he had raised a separate complaint with our service where it was found that the lending with a separate supplier was not sustainable, which he says suggests the lending with NewDay was also not sustainable.

Ultimately a resolution wasn't reached, so the case has been passed to me to decide.

## **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.

While Mr B has provided detailed evidence of his complaint, and whilst I've considered all the available information, I've not reflected every point that has been raised. No discourtesy is intended here, this is merely to reflect my informal role in deciding a fair and reasonable

outcome. So, I've focused on what I think are the key issues of the complaint. If there is something I haven't mentioned, it isn't because I've ignored it. I have also only considered matters that occurred before the final response letter from NewDay was issued, in line with the rules this service must follow.

I've considered what both parties have said about Mr B's lending with NewDay. Having carefully considered everything, I think that NewDay acted fairly and reasonably.

The relevant rules, regulations, and guidance at the time of NewDay's lending decision required them to carry out proportionate checks. While there isn't a defined list of checks a lender needs to carry out, such checks should be proportionate, considering things like the type, amount, duration and total cost of the credit, as well as the borrower's individual circumstances. These checks needed to assess Mr B's ability to afford the loan being approved and to be able to repay it sustainably, without causing him financial difficulties or harm.

It isn't sufficient for NewDay to just complete proportionate checks, they must also consider the information obtained from these checks to make fair lending decisions. I've considered the checks NewDay did and what they found from these checks.

Mr B declared his income as £22,000 per annum. He declared £0 in housing and dependents costs. NewDay used Office for National Statistics (ONS) data to estimate Mr B's non-discretionary expenditure. They found there was an estimated net monthly income of around £1,613 and estimated cost of living of around £434. NewDay found that Mr B's existing monthly credit commitments were around £323 which left a disposable income of around £855 per month.

Mr B said that he was actually paying £600 per month to his wife towards housing costs. He feels that NewDay ought to have known that a housing cost of £0 was not possible. He thought NewDay should have known that these living costs were too low for a family of five. However, he had declared no housing or dependent costs in his application. I think it was fair for NewDay to rely on the information they were given, and there are instances where someone may have no housing costs, so I don't think this ought to have prompted NewDay to look further. Mr B noted inconsistencies with the income found in this assessment and by another lender. However, from looking at his statements, this shows he had an income of around £1,400, which means that there would still be a remaining £643 of disposable income.

NewDay also took into account Credit Reference Agency data which found that Mr B had no active payday loans, no reportable repayment arrangements, no County Court Judgments, Individual Voluntary Arrangements or bankruptcy. Taking all of these circumstances into account, I think that NewDay carried out reasonable and proportionate checks before agreeing to lend.

I also have to consider if the resulting decision to lend was fair. The checks carried out by NewDay found that Mr B would have been left with an estimated disposable income of around £855. There was also nothing from the credit check carried out that indicated Mr B was in financial difficulties. While there was some evidence of limit increases on different accounts before the NewDay lending agreement was entered into and some arrears, these were for small amounts and were up to date at the time of the lending agreement with NewDay. The amount of Mr B's existing lending was taken into account when NewDay assessed how much disposable income Mr B would have available.

Taking all of the circumstances into account, I think that the lending decision made by NewDay was fair and reasonable.

### *Payment date request and promotional offer*

Mr B said that he requested his payment date be aligned with his payday, but NewDay didn't accommodate this. Mr B says this was spoken about in the initial phone call about the account, but NewDay confirm that the account was not opened over the phone and due to data retention, they have not been able to locate any evidence that such a conversation which took place around this time. There was also no evidence provided showing that this request was communicated at any other stage of the lending relationship. On balance I wasn't able to find that this request was made, so I don't think that NewDay have acted unfairly here.

One of the reasons Mr B says he entered into this credit agreement was due to a promotional 0% interest rate, in order to transfer balances across from other accounts. However, as his credit limit was exceeded within a month of opening the account, NewDay sent him a letter informing him that the 0% offer had been removed. The overlimit amount does not appear to have been caused by fees on the account. Having read the credit agreement document, I thought the information was clearly presented regarding when changes to the promotional offer could occur. I don't think that any further action needed to be taken to remind Mr B of these terms and think that NewDay acted fairly when they withdrew the promotional offer.

### *Forbearance and treatment after financial difficulties disclosed*

NewDay is expected to treat customers in financial difficulty with forbearance and due consideration, and I've considered whether they have done so here. I think that the actions taken by NewDay showed forbearance and due consideration, I'll explain why.

Mr B reached out to NewDay in May 2025 to let them know that he was experiencing financial difficulties due to his mental health. He explained he had been unable to work and recently received a diagnosis for ADHD and autism, which he says also impacted his ability to manage his finances. Mr B was receiving sickness pay during this time, which covered his essentials. He confirmed he would resume receiving his normal pay in late June 2025 and asked to utilise an offer of three months of breathing space he had received by email, but which he couldn't access.

When he reached out to NewDay at this time, they asked him for some further information relating to his income and expenditure in order to proceed with a payment break. Mr B did not provide this information, and the account was initially placed on a hold. On the same day, after clarifying further information with Mr B, NewDay added a payment holiday until mid-September 2025 which meant that interest and fees were frozen, and the account could not be used. A further period of breathing space was applied from October 2025 until early December 2025. I think that forbearance and due consideration to Mr B's circumstances were applied here and appropriate and fair actions were taken as a result.

Mr B says that NewDay closed his account after he raised a complaint with them, which he feels was retaliatory. He proposed payment plans to clear the account by paying £150 per month from August 2025. However, after a payment of around this amount was requested after the payment break ended in mid-September 2025, the payment wasn't received and so the account was defaulted. I don't think that it is fair to say that the account was closed in retaliation to the complaint, rather after it was evident that the account remained unaffordable to Mr B following breathing space being applied.

Mr B complains that he continued to receive default notices and emails about the status of his account after disclosing his mental health concerns while forbearance measures were in

place, which he found stressful, particularly given his autism and ADHD. I think that NewDay have taken reasonable steps to explain what information they were required to provide and have done this in a way that took Mr B's circumstances and their wider obligations into account. I was sorry to hear that this caused Mr B further stress, but taking into consideration all of the circumstances, I think the correspondence was fair and reasonable.

I've also considered whether NewDay ought to have taken action earlier than when this information was disclosed by Mr B. There were indications that Mr B's credit was increasing through other providers from around 2024, as well as some payments on other external accounts being missed. Mr B's balance with NewDay was frequently close to the maximum credit limit. However, there were often payments made above the minimum payment requirement and there were no concerns with the account that I think ought to have prompted further action until around May 2025, around when Mr B reached out to NewDay. I don't think there was anything that ought to have reasonably required NewDay to have taken action earlier.

#### *Other considerations*

Mr B noted that there was a separate decision at our service which found that his lending from another provider wasn't sustainable, and this suggests the current lending was also unaffordable. The loan complained about in this other decision was made around 11 months after the NewDay lending, for a different lending amount with different surrounding circumstances. The current complaint must be assessed on its own merits, and based on this, the lending was found to be affordable.

In reaching my conclusions, I've also considered whether the lending relationship between Mr B and NewDay might have been unfair to Mr B under Section 140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that NewDay did not lend irresponsibly when providing Mr B with credit or otherwise treat him unfairly in relation to this matter. And I haven't seen anything to suggest that Section 140A CCA would, given the facts of this complaint, lead to a different outcome here.

#### **My final decision**

For the reasons given above, I do not uphold this complaint against NewDay Ltd trading as Fluid Credit Card.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 May 2026.

Frances Kerslake  
**Ombudsman**