

The complaint

Mrs S complains that NewDay Ltd trading as Pulse (“NewDay”) irresponsibly provided her with a credit card and subsequent credit limit increases she couldn’t afford. For ease of reference, I’ve referred to Mrs S when referring to both her and her representative.

What happened

The details of this complaint are well-known to both parties, so I won’t repeat them again here. The facts aren’t in dispute, so I’ll focus on giving the reasons for my decision.

I issued a provisional decision in this case. In summary I said I wasn’t minded to uphold this complaint. Mrs S disagreed making several points so the matter has been passed back to me to finalise.

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.

In summary, I said in my provisional decision:

I’m aware that I’ve summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I’ve focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Lastly, I would add that where the information I’ve got is incomplete, unclear or contradictory, I’ve to base my decision on the balance of probabilities.

We’ve set out our general approach to complaints about unaffordable or irresponsible lending on our website and I’ve taken this into account in deciding Mrs S’s case.

I’ve decided that I won’t be asking NewDay to do anything else in relation to the credit card complaint as:

- *The checks NewDay conducted showed Mrs S had a sufficient disposable income left each month in which to afford the initial credit limit of £500 afforded to her in November 2021 when she opened her account. There was no adverse information on her credit file such as defaults or delinquencies, and which suggested she was managing her other credit commitments well.*
- *Based on the information NewDay gathered and what it knew about Mrs S’s*

circumstances, there was nothing to suggest that Mrs S was likely to be unable to sustainably repay the initial credit limit of £500 she was afforded in a reasonable period of time.

- NewDay have already upheld Mrs S's complaint from the first credit increase in January 2022 when the limit was increased to £1,000 and this is highlighted in its final response letter ("FRL") dated 9 January 2025.
- NewDay calculated the refund of interest, fees and charges over balances of £500 to be £2,481 and used this amount to reduce the outstanding balance. This is what we'd expect NewDay to do and is in line with approach to irresponsible lending.

This means I don't think NewDay did anything wrong when it provided the credit card to Mrs S and it has done what we would have expected it to do after it upheld Mrs S's complaint from the first credit limit increase in January 2022.

Additional complaint points

During the course of this complaint investigation, Mrs S has raised a number of other issues that NewDay haven't had the opportunity to comment on or investigate. The usual course of action would be for Mrs C to raise these issues as further complaints in order to give NewDay the opportunity to investigate these matters and respond accordingly. However in the interests of resolving all of these additional matters, I asked NewDay if it consented to me considering these in my final decision and which it agreed. And so I've looked at these additional issues and invited NewDay to comment as appropriate and as detailed below.

Poor communication by NewDay

Mrs S told us that the communication with NewDay had been poor, it had contacted her at inappropriate times when she was busy and not in a position to communicate. Whilst the call notes NewDay provided documented Mrs S said this on one occasion, it also documents that on two further occasions Mrs S said she didn't want to communicate at the time as she wanted to await the outcome of the complaint first.

However, NewDay issued a further FRL dated 10 December 2025 in relation to this aspect after Mrs S raised further concerns in October 2022. And NewDay awarded Mrs S £90 in compensation in recognition of the poor customer journey she experienced, acknowledged the frustration it must have caused and apologised.

As this is in line with our approach, I think this is a fair outcome and I won't be asking NewDay to do anything else.

Failure to make reasonable adjustments for a vulnerable consumer

Mrs S told us she didn't think NewDay made reasonable adjustments to take into consideration her vulnerability as a consumer with a disability.

NewDay said that its collection team contacted Mrs S three times to discuss repayments after it acknowledged that she was struggling with repayments as neither she nor her husband were working and they were dependant on benefits. On 14 September 2024, Mrs S was contacted and asked if she wanted its customer care team to set up a repayment plan but Mrs S was busy at that time. NewDay then sent out an income and expenditure form for Mrs S to complete and applied breathing space to allow for its completion and return.

On 24 October 2024, NewDay said it contacted Mrs S again who said she was awaiting the outcome of her complaint before making any further repayments. NewDay sent a second income and expenditure form to be completed.

On 8 November 2024, NewDay's collection team contacted Mrs S again who advised that she wasn't prepared to make any further payments whilst her complaint was being investigated. Mrs S was asked if she wanted to set up a repayment plan but the offer was declined.

On 17 November 2025, NewDay added a flexible hold to the account whilst it was waiting for the return of the completed income and expenditure form. There was no further contact or repayments from Mrs S and when NewDay upheld her irresponsible lending complaint and issued an FRL on 9 January 2025, this contained signposting to several external agencies should she require assistance. It also contained the telephone number of the DCA the debt had been passed to.

NewDay explained that its letters and statements regularly signpost customers to independent organisations offering free money guidance, debt advice and support with personal circumstances which were available to Mrs S throughout the lifetime of her account.

Whilst I appreciate that NewDay may have contacted Mrs S on 14 September 2024 when it was inconvenient to speak, from the evidence I've seen, I don't think its further attempts by NewDay to discuss a potential repayment plan were unreasonable. And given that NewDay's letters, including its FRLs contained signposting to various agencies for support, I don't think it could have done anymore. I've not seen any evidence that Mrs S specifically spelt out to NewDay what reasonable adjustments she expected it to make and so I'm satisfied on balance, that it treated Mrs S fairly.

Failure to amend credit report to remove adverse information

Following NewDays initial FRL dated 9 January 2025 where it upheld Mrs S's complaint from the first credit increase, NewDay said it would remove all adverse information from her credit file from January 2022. Mrs S has further told us that this as yet hasn't happened. But as there is still currently an outstanding debt, NewDay are within its rights to suspend the removal of any adverse information until such time as the total amount of outstanding debt has been repaid. And NewDay have given us assurances that it will do this once the outstanding balance has been repaid.

NewDay application was never working and unable to make repayments

Mrs S told us of the difficulties she faced in accessing her online account in order to make repayments. NewDay told us that up until her account defaulted, she retained full access to her online accounts although I appreciate that she may have had difficulty accessing this.

NewDay told us that the monthly statements that were issued to Mrs S set out the payment options that would have been available to Mrs S and this includes alternative options of paying other than online. So despite the communication issues already acknowledged, I think there were other payment options available to Mrs S had she wished to take advantage of these.

Outstanding debt was passed and then sold to a third party debt collection agency (DCA)

Mrs S complained that she was unhappy with the fact that the outstanding debt was passed and then subsequently sold to a third party DCA whilst her complaint with us was ongoing.

NewDay has confirmed that the outstanding debt was passed to a DCA in December 2024 although not at that point sold. And given that Mrs S didn't bring her complaint to us until January 2025, this is quite clearly after the debt was initially passed to the DCA.

In April 2025, NewDay applied a default to the account after there hadn't been any payments made towards the outstanding debt since July 2024 and which it was allowed to do.

The outstanding debt was subsequently sold to a third party DCA in September 2025. Mrs S believes this was unfair and contrary to regulations that suggest such sales shouldn't take place until complaints like Mrs S's are resolved. But as Mrs S didn't respond to the first view our investigator issued on 5 June 2025, the complaint had been closed on 27 August 2025 and both NewDay and Mrs S informed of this fact. Although Mrs S subsequently informed us she felt the matter hadn't been resolved, I think NewDay were entitled to consider it had been. I say this as NewDay had upheld Mrs S's complaint from the first credit limit increase, the matters that Mrs S felt were unresolved were not part of her original irresponsible lending complaint and we informed NewDay that the matter was closed.

Mrs S also told us that she was confused following the sale of the debt. NewDay explained to us that following a debt sale, the DCA writes directly to the consumer to confirm they have taken ownership of the account. So any issues regarding this matter should be directed to the DCA who now owns the debt.

On balance, I don't think NewDay did anything wrong when it took the decision to sell the debt to a DCA.

Did NewDay act unfairly in any other way?

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think NewDay lent irresponsibly to Mrs S or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

As I note above, Mrs S disagreed with my provisional decision providing detailed reasons for doing so. I thank Mrs S for taking the time to provide further submissions and evidence but as an informal dispute resolution service, I don't have to address every point to reach what I consider to be a fair and reasonable outcome. However, I want to reassure Mrs S that I've considered everything she said but I consider I've dealt with the crux of complaint above so I won't repeat that again here.

Just to say that my decision is based on the information and evidence I've been provided so far and which in my opinion, is sufficient to do so. Our powers in relation to evidence gathering include the power to accept and exclude evidence as we consider appropriate. And our rules also require that in determining the outcome of our decision, we must take into account all relevant law, regulations and other matters.

To be clear, whilst I know Mrs S has questioned my approach to this matter, I'm satisfied I've acted in accordance with our rules and have sufficient information to make a fair and reasonable decision. I note she is awaiting her SAR, but as I've said I've sufficient information and evidence to make a decision in this case. Finally, as noted above, businesses have a responsibility to accurately report correct information to credit reference agencies, and as NewDay has stated, any adverse information will be removed once the outstanding debt has been repaid.

My final decision

My final decision is that I don't uphold Mrs S's complaint against NewDay Ltd trading as Pulse.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 17 February 2026.

Paul Hamber
Ombudsman