

The complaint

Mrs H is unhappy with how NewDay Ltd, trading as John Lewis Partnership Credit Card, have administered her account, and with the service that she's received from them.

What happened

Mrs H has a hearing impairment which makes it very difficult for her to use the telephone. In April 2025, Mrs H made a payment of £4,622.10, on the payment due date, to clear the full outstanding balance on her NewDay credit card. Unfortunately, it appears that Mrs H may have input her name as the payment reference, rather than her account number, which NewDay required to identify and allocate the payment. This meant that the payment was scheduled to be returned to Mrs H's bank from which she sent the payment, and the payment wasn't applied to Mrs H's NewDay account.

The following day, 17 April, Mrs H became aware that the payment hadn't been credited to her NewDay account and was concerned that this would mean her payment would be considered as being made late. Mrs H called NewDay about the matter, despite the difficulty that caused her, and spoke with a NewDay agent who was very reassuring. NewDay's agent acknowledged that Mrs H had tried to make the payment on time and explained that any impact that the late receipt of the payment may have – such as late payment fees or accrual of interest – would be reimbursed back to Mrs H so that her account would be as if the payment had been received on time.

The next day, Mrs H was travelling home by train and only had her NewDay credit card as an available payment method. But when Mrs H tried to buy a train ticket, the card didn't work. This effectively left Mrs H stranded at the train station. Later that same day, Mrs H paid the minimum monthly payment amount to see if that would unblock her card, which it did. Mrs H then approached her bank to try to recover the £4,622.10 payment. It's unclear whether Mrs H's bank were successful, or whether the return of funds initiated by NewDay completed, but the result was that Mrs H did receive the money back into her bank account, and on 22 April she paid the full remaining statement balance, accounting for the minimum payment she'd previously made, to return her account to the position it should have been in.

Later that day, Mrs H contacted NewDay via online chat and asked to raise a complaint about her payment not being received and her card being blocked, explaining that she couldn't do so via telephone because of her hearing impairment. While a complaint was raised for Mrs H at that time, Mrs H explained that she wanted to send some more information about her complaint and asked for an email address to do so. Mrs H was eventually given an email address by NewDay to send further information about her complaint to. Mrs H then wrote to that email address on 30 April, asking for an update on her complaint and wanting to add a further point of complaint regarding the difficulty she'd had obtaining that email address which she felt amounted to NewDay discriminating against her as a person with a hearing impairment.

Mrs H then received a NewDay account statement which showed that she had incurred a late payment fee of £12 and incurred account interest of £129.32 (which wouldn't have been incurred, had her payment been received on time). Mrs H emailed NewDay again on 9 May

unhappy at these charges and also asked why NewDay had sent her a letter advising that the credit limit on her account would be increased, when she hadn't requested any such increase.

Mrs H didn't receive a response to her email, but on 14 May she received a letter from NewDay, dated 29 April, in response to her complaint, but which didn't uphold it. Mrs H wasn't happy with the letter, including that it didn't address the interest and late payment charge, and sent an email to NewDay in response to it. Mrs H didn't receive a response to that email, and dissatisfied with NewDay's response to her complaint, she referred her complaint to this service.

One of our investigators looked at this complaint and liaised with Mrs H and NewDay about it. During their investigation, NewDay committed to reimbursing any interest or charges that Mrs H had incurred and made corrective payments to Mrs H's account accordingly. NewDay also explained that the block on Mrs H's account had been placed in error by one of their agents who had discussed Mrs H's account with her, and they acknowledged that Mrs H had incurred some frustration and inconvenience she reasonably shouldn't have incurred and so agreed to pay £65 to her by way of compensation.

Our investigator felt that this represented a fair resolution to Mrs H's complaint. However, Mrs H didn't agree, and noted that NewDay hadn't paid the £65 compensation to her. Our investigator considered this point and said that NewDay should pay a further £100 for the continuing trouble and upset that they had caused Mrs H. NewDay accepted the recommendations put forward by our investigator, but Mrs H remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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.

When a business acknowledges that it made a mistake when administering an account, as NewDay have in this instance, it would generally be expected that the business would take the corrective action necessary to restore the affected account to the position it should be in, had the mistake not occurred. Upon review, I feel that NewDay have done that here – they've reimbursed the interest and fees that Mrs H was charged on her account which they'd previously told Mrs H would be reimbursed and have committed to ensuring that Mrs H's account wasn't impacted by what happened. This commitment extends to ensuring that Mrs H's credit file hasn't been adversely impacted, and NewDay have confirmed to this service that no late payments have been reported by them.

In addition to corrective action, it would also be generally expected that a business would compensate an affected customer for any trouble or frustration they may have incurred. In this instance, NewDay have agreed to pay a total of £165 compensation to Mrs H. Matters of compensation can be subjective, but upon consideration I feel that £165 is a fair compensation amount here.

In taking this position, I've thought about the impact of what happened on Mrs H, as well as mitigating factors that I feel warrant consideration. For instance, it appears that Mrs H made the initial payment in question with an incorrect reference – her name, instead of her account number – which is why NewDay couldn't allocate the payment to her account. Additionally, while Mrs H has explained that the block on her card meant that she was stranded at a train station, as an impartial party I don't feel that I can reasonably hold NewDay accountable for the fact that Mrs H didn't have other forms of payment, such as her bank debit card, with her at that time, as I feel would reasonably be expected.

Mrs H has said that she feels that NewDay have discriminated against her, given her hearing impairment and the problems she's faced communicating with them. Our service is an informal alternative to the Courts, as such, we don't have the power to make a finding of discrimination under the Equality Act 2010. However, we do take relevant regulations and legislation into account when determining how a complaint should be resolved.

However, matters are complicated here by the fact that this service can only consider points of complaint about regulated financial matters, and because some of Mrs H's dissatisfaction stems from how NewDay have handled her complaint – the important point being that this service can't consider dissatisfaction about complaint handling, because how a business handles a complaint is not itself a regulated financial matter, even if the complaint itself is about a regulated financial matter.

I realise this must be frustrating for Mrs H, but as a financial ombudsman my remit and authority is tightly defined. Speaking generally, however, I note that when Mrs H told NewDay of her hearing impairment, NewDay suggested alternative methods of communication with Mrs H, such as text relay services. While I appreciate that these options may not be to Mrs H's liking, it does show a willingness to adjust by NewDay, and I do feel that the suggestions made by NewDay were reasonable. Accordingly, within the remit of what I can consider here, I don't feel that NewDay have treated Mrs H unfairly in this regard.

Mrs H is also unhappy that NewDay wanted to increase the credit limit on her account without her requesting it. I can appreciate how this may have been unsettling for Mrs H, but the letter that Mrs H received explained that Mrs H could decline the credit limit increase if she wanted to, and Mrs H can also ask NewDay to unenroll her from automated credit limit review-based increases.

Finally, Mrs H has asked for NewDay to apologise and to provide an explanation of what happened. I hope that this letter provides that explanation, if Mrs H hasn't already received it, and I note that NewDay have apologised to Mrs H in both the initial complaint response letter dated 28 April and a later complaint response letter that was sent to Mrs H on 5 June.

All of which means that while I will be upholding this complaint in Mrs H's favour, I'll only be doing so to instruct NewDay to take the corrective action they've already committed to and to pay the £165 compensation to Mrs H that they've already agreed to pay. I acknowledge that this may not be the outcome that Mrs H was wanting, but I hope she will understand, given what I've explained, why I've made the final decision that I have.

Putting things right

If they haven't done so already, NewDay must:

1. Take the corrective action necessary to ensure that Mrs H's account balance and credit file aren't adversely affected by what happened, including reimbursing any interest and charges Mrs H may have unfairly incurred.
2. Pay a total of £165 compensation to Mrs H.

My final decision

My final decision is that I uphold this complaint against NewDay Ltd, trading as John Lewis Partnership Credit Card, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or

reject my decision before 9 February 2026.

Paul Cooper
Ombudsman