

## **The complaint**

Mr F is complaining that NewDay Ltd treated him unfairly in its communication about the end of his repayment plan and by asking him to complete an income and expenditure form in order to agree a new plan.

## **What happened**

Mr F has a credit card with NewDay and in August 2023 it became necessary for him to enter a repayment plan. He paid £100 a month consistently, but in November 2025 NewDay wrote to him saying the plan was due to be reviewed on the 21<sup>st</sup> of the month and asked Mr F to get in touch so it could discuss his circumstances and provide tailored support. The email then went on to say the account may be passed to a debt collection agency, sold to a debt purchaser, and that credit reference agencies may be notified of any missed payments.

Mr F has said he felt it was unfair to send this kind of communication when he'd maintained the payment plan perfectly and hadn't been made aware it would be reviewed. He found the language in the email about what NewDay may do inappropriate and unwarranted given he had maintained the plan for over two years.

Unhappy with how NewDay had handled things Mr F complained and asked NewDay to confirm the existing arrangement would continue, to provide an apology, give assurance that no adverse information would be recorded on his credit file if payments continued, and confirmation of what led to the review message being sent and what corrective action had been taken.

NewDay responded and said it hadn't asked Mr F to get in touch in error and given the time that had passed, it did need to go through an income and expenditure assessment with him. However, it accepted it hadn't been clear in its previous communications that Mr F's payment arrangement would be up for review in November 2025. It also agreed the review letter could have been clearer and provided more context around the possible consequences the letter outlined. NewDay paid Mr F £100 in recognition of the trouble and upset this had caused him. It also extended the amount of time Mr F had to provide income and expenditure information by around a month. Mr F didn't accept NewDay's response to his complaint and referred the matter to this service.

One of our investigators considered the case but thought what NewDay had done to put things right was fair. So, he didn't ask it to do anything further.

Mr F was unhappy with the outcome and said the cash award didn't account for NewDay's failures in terms of its responsibilities. As no agreement could be reached, the complaint has been passed to me 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.

I understand that Mr F wants assurance that NewDay will change its processes based on his feedback. I can see that it has escalated the matter to the relevant teams but said it can't provide assurances about whether any changes will be implemented. I understand Mr F finds this frustrating, but there are limits to the powers this service has. As we aren't the regulator, we don't have the power to make directions about how a lender should conduct its business or how particular processes should be changed or improved. So, I won't be making any findings about this and will focus on those matters that are specific to Mr F's particular case.

I've reviewed the email NewDay sent to Mr F, and I agree that it could have been clearer. There was a lack of communication from NewDay to Mr F about the possibility of a review being required in the future. There was also a lack of context in the email sent in November 2025 about the circumstances which may lead to the consequences it set out. So, I can understand Mr F's surprise and concern about receiving such an email. It will no doubt have caused him worry and confusion.

That said, I don't think it's unreasonable for NewDay to review the circumstances of those customers in payment arrangements at intervals. I say this because it's fair to ensure the current payment arrangement remains appropriate.

Mr F has said his circumstances hadn't changed since he last completed an income and expenditure assessment in 2023 and he had maintained the agreement to pay £100 a month perfectly. Whilst I appreciate this may have been the case, it's not unreasonable for NewDay to have asked him to repeat the assessment again around two years later. I say this because a customer's circumstances can change significantly, for the better or worse, in this time. So, it's fair for lenders to re-assess a customer's situation to ensure any repayment plan remains affordable and appropriate.

Whilst I don't think the request to review Mr F's circumstances was unreasonable, I think NewDay could have gone about this differently. It would have been fair for it to let Mr F know from the outset that the arrangement would be regularly reviewed, and this may require him to provide information about his income and expenditure again, even where the arrangement was well maintained. I also think the email sent in November 2025 should have been clearer that the consequences outlined were only applicable, if Mr F failed to get in touch and/or failed to maintain payments to any new plan agreed. However, I think the £100 compensation offered fairly reflects the distress caused to Mr F as a result of the inadequate communications from NewDay.

I understand that Mr F feels he was forced into using other credit to repay this debt, as a result of NewDay's request for him to complete a new income and expenditure assessment. I don't doubt Mr F feels aggrieved. But, as I've already explained, I don't think it's unreasonable for a lender to periodically ask a customer in an arrangement to complete a financial assessment to ensure the arrangement remains affordable and appropriate. Indeed, to not do so may be viewed as failing to treat a customer fairly. So, I don't agree that it was unreasonable or detrimental to Mr F, for NewDay to make this request, but I accept its communications about this could have been better.

I don't doubt how strongly Mr F feels about this, but, as I've explained, I think NewDay have acted fairly in the circumstances. I do understand why Mr F is unhappy, but I think the actions NewDay has taken to put things right are fair in this case.

### **My final decision**

My final decision is that I think the compensation paid to Mr F for the trouble and upset NewDay caused is fair for the reasons I've set out, and I won't be asking it to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 15 May 2026.

Charlotte Roberts  
**Ombudsman**