

The complaint

X complains that NewDay Ltd (“NewDay”) hasn’t refunded him correctly when duplicate payments were made towards his credit card account.

X is represented by family members, but for ease of reference I’ll mostly refer to X throughout.

What happened

On 5 August 2025 a direct debit payment of £832.55 was made. On 10 August 2025 a further manual payment was made for the same amount. These two payments left a balance of £1,124.49.

On 8 September 2025, a direct debit payment for £1,124.49 was paid. On 11 September 2025 X requested a refund of the duplicate payment for £832.55. NewDay initiated this – and the amount was debited from the NewDay card.

This then left a balance of £1,174.36 which was paid by direct debit on 6 October 2025. X later complained because he felt he wasn’t appropriately refunded. He feels he’s out of pocket now by £832.55.

NewDay responded to the complaint. They said no error was made and have paid £85 in compensation because incorrect advice was given over the phone.

X remained unhappy so referred his complaint to our Service. An Investigator here looked into things and agreed that NewDay hadn’t treated X unfairly. They said the refund had been processed correctly.

X didn’t agree. He remained unhappy and also asked that his representative is compensated for the time spent on the complaint. Because an agreement couldn’t be reached, the complaint 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.

Having done so, I’m in agreement with NewDay and the Investigator that they haven’t treated X unfairly.

X’s NewDay account needed to be debited again when the refund happened – two payments were made, which reduced the balance by £1,665.10. He requested that one of the two payments were refunded to him and therefore, half of that would need to be charged to his NewDay card again. There’s no evidence that he’s lost out financially as a result of this.

I’ve thought about what X’s representative has said regarding compensation for their time, however, his representative isn’t an eligible complainant as they are not the consumer in this relationship between NewDay and X, therefore we wouldn’t be able to compensate them for time. In addition to this, NewDay haven’t acted unfairly, so in any event no further compensation is due than the £85 already awarded for the incorrect advice.

I'm sorry if X is still confused about what happened, but I'd like to reassure him he's not been financially disadvantaged here. If NewDay didn't deduct the £832.55 from the NewDay card when it was refunded, they'd be essentially giving X £832.55 for free, which isn't reasonable.

My final decision

It's my final decision that this complaint against NewDay Ltd isn't upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 18 May 2026.

Meg Raymond
Ombudsman