

The complaint

Miss H complains about the information given to her about a repayment plan, for her credit card account with NewDay Ltd trading as Marbles.

What happened

In July 2020, Miss H was given a payment holiday by Marbles for a credit card account she had with them. The arrangement was due to last for around four months and was designed to give Miss H some support with her financial circumstances during the global pandemic.

About a year later, Marbles offered further support to Miss H. They said Miss H could pay slightly more than the minimum monthly payment due to her credit card account, to reduce the balance over a four year period. Miss H says the features of the repayment plan were not explained to her in a way she felt comfortable with. But, over the next three years, Miss H made the regular repayments as planned.

However, after raising a query about the repayments in July 2024, Miss H says she mistakenly shortened the plan. This meant the full outstanding balance of her credit card account became due. Miss H says she raised further questions, as she was unsure why Marbles had expected her to pay significantly more than she had expected. Miss H also cancelled the Direct Debit she had in place, meaning her account entered into arrears. So, Miss H raised a complaint.

While dealing with Miss H's concerns, Marbles terminated the credit card account and passed the balance to a debt collections agent. In their final response to Miss H's complaint, Marbles said they hadn't made a mistake with the interest they had applied to the account. But, they agreed to refund around £135 of interest as a gesture of goodwill. They also offered Miss H £15 for some problems they caused in terminating a telephone call in error. Miss H didn't accept Marbles' response and brought her complaint to this service.

One of our investigators looked into Miss H's complaint, and found that although the repayment plan was changed in error by Miss H, Marbles could have corrected things for her. So, he said Marbles should put the initial repayment plan back into place, and to refund any interest applied to the account since August 2024. Additionally, the investigator asked Marbles to remove any adverse information about the account from Miss H's credit file since Miss H first raised her complaint.

Marbles agreed with the investigator's findings, but Miss H didn't. She said she was unhappy with Marbles' decisions to increase the credit limit of her account, and the overall amount of interest applied to the outstanding balance. Miss H explained her neurodiversity and said Marbles had created an unfair relationship. She said Marbles should write off the balance of the account, refund some of the interest added and pay her compensation.

The investigator didn't change his conclusions and said some of the points Miss H had raised hadn't been put to Marbles, before Miss H brought her case to us. Miss H didn't agree and her complaint has now been passed to me to make 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.

Firstly, I'd like Miss H to know that I recognise the very difficult personal circumstances she's been dealing with over the last six years. I'm aware of the demands on her time and have thought about the impact of everything that's happened with her health. It must have been very worrying for Miss H and I hope things start to improve for her.

I also want to acknowledge where I've summarised the events of Miss H's complaint. I don't intend any discourtesy by this and it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But, I want to assure Miss H and Marbles that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

This case is about a credit card account which Miss H took out with Marbles. These types of accounts are regulated financial products, so we are able to consider complaints about them.

The start of the repayment plan

Miss H says Marbles didn't clearly explain the repayment plan they put into place in August 2021, and distorted her understanding of the risk of agreeing to it. Miss H also says Marbles didn't provide the support she needed and that they have profited from her vulnerabilities.

I've looked at the communication records between Marbles and Miss H from the time before the repayment plan started. I've also considered Miss H's use of the credit card account, to see if Marbles had a responsibility to have spotted where Miss H may have benefited from another approach to the support they could offer.

Having done so, I cannot see where Marbles have treated Miss H unfairly in their explanation of the features of the repayment plan. I say this because their letter to Miss H on 13 August 2021 explains why the repayment plan was suggested, how long it would last and how much Miss H would pay every month.

The letter also says that should Miss H continue to use her credit card, any increase in the balance, would mean an increase to the monthly payment. Furthermore, I haven't seen where Miss H said anything to Marbles about any changes she needed, or where Marbles should have recognised she needed more support, from the activity on her account.

While I accept Miss H says she didn't understand what Marbles had proposed, I don't think they hid or masked the support they offered, in the way that Miss H has suggested. Moreover, I can see where Marbles gave Miss H the option of talking to them further about the repayment plan, if she was unsure about it. As well as details of money advice organisations, who offer a free service.

I also acknowledge where Miss H is disappointed and upset with the plan put into place. After looking at Marbles' own internal policies which provide an overview of their approach to persistent debt, I can see where they have followed their own procedures, which align with the relevant rules and guidance. Overall, I think Marbles treated Miss H fairly in offering her the repayment plan to clear the balance of her credit card account.

Miss H says the repayment plan lacked substance, in that the balance of her account

continued to accrue interest during the term of the plan. I've seen where Miss H's account was still able to be used and Marbles didn't terminate the agreement, or pass the debt to a recovery agent. Miss H was also making a monthly payment that was in excess of the contractual minimum payment. In this instance, the account was able to be used as Miss H normally would have expected it to. So, I don't think it was unfair for Marbles to charge interest, consistent with the relevant interest rate for the credit card account.

Aside from this, Marbles' records show where they suspended interest once the account fell into arrears and the agreement was terminated. I can also see where Marbles refunded interest applied over two consecutive months in 2024, as a gesture of goodwill. I've found that it was fair for Marbles to apply interest to the account during the plan. After thinking carefully about Marbles' action after the plan ended, I think they took reasonable steps to help Miss H.

The change in the term of the repayment plan

Both Miss H and Marbles acknowledge that Miss H mistakenly changed the term of the repayment plan, when she contacted Marbles in July 2024. I can see from Marbles' records of Miss H's credit card account where Miss H changed the plan from four years to three years. This was at a time when the plan was already nearly three years old. The impact was that the remaining balance of Miss H's credit card account became due.

Instead of working with Miss H to correct her mistake, the agreement was terminated and the account closed. Marbles have acknowledged that they could have done more to assist Miss H at this time, even though they hadn't made an error. So, I've considered the offer Marbles have made to Miss H, to decide if it's fair and reasonable.

In doing so, I acknowledge where it's difficult to put Miss H's account in the exact position it would have been in, given time has moved on and Miss H's financial circumstances may have changed. I'm also aware that Miss H says Marbles should waive the entire balance.

But, I've concluded where it was Miss H that changed the term of the repayment plan and that the plan itself was fairly explained and implemented. So, I don't think it would be fair to require Marbles to write the balance off now, or pay compensation to Miss H.

However, Marbles say they will refund all the interest applied to Miss H's credit card account, from when Miss H first raised her concerns in August 2024. This means the balance Miss H would be expected to pay, will be the same as it was when she made them aware of her concerns. Marbles also say they will engage with Miss H to arrange for the repayment of that balance, after looking at her current income and expenditure details. Once the new repayment plan has finished with the balance repaid, Marbles say they will remove any adverse information about the account from Miss H's credit file.

In all the circumstances, I think Marbles' offer is fair. I say this because the account will be adjusted to the balance at the time of the change in term. Also, the offer will allow Miss H to repay the outstanding debt from her credit card account, at an amount that is suitable to her circumstances. It will also mean her credit file will reflect successful repayment of the debt, if she's able to maintain the repayment plan. Overall, I think Marbles have offered to put fair and reasonable steps in place and I don't think it would be fair to ask them to add to their existing offer.

Finally, I'm aware Miss H has raised subsequent concerns about the increase in the credit limits on her account with Marbles, and the level of the entire interest ever applied. These are separate concerns to what Miss H initially raised with Marbles and has asked us to look at in this complaint.

To be clear, I make no finding about the credit limits and the interest charged in this decision. Should Miss H continue to have concerns about that, she should raise them with Marbles in the first instance.

Putting things right

For these reasons, NewDay Ltd trading as Marbles should:

1. Refund all the interest and charges applied to the credit card account, from August 2024;
2. Engage with Miss H about a new repayment plan for the outstanding balance of her credit card account; and
3. Once the outstanding balance is repaid, remove any adverse information about the credit card account applied since August 2024, from the details held by credit reference agencies.

Marbles must pay these amounts within 28 days of the date on which we tell them Miss H accepts my final decision. If they pay later than this, they must also pay interest on the settlement amount from the date of final decision to the date of payment at 8% a year simple.

If Marbles deducts tax from any interest they pay to Miss H, they should provide Miss H with a tax deduction certificate if she asks for one, so she can reclaim the tax from the tax authorities if appropriate.

My final decision

My final decision is that I uphold this complaint and require NewDay Ltd trading as Marbles to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 25 March 2026.

Sam Wedderburn
Ombudsman