

The complaint

Mr M complains about NewDay Ltd trading as Marbles (“NewDay”)’s handling of his account.

What happened

Mr M held two credit card accounts with NewDay – one under the Marbles handle, the other under the handle I’ll refer to as A. In December 2022, NewDay made the decision to reduce Mr M’s credit limit as he’d entered arrears on his credit card with A.

Mr M says NewDay did this after he made a payment of around £4,000 towards his NewDay credit card and that he’d been intending to use some of the remaining balance to pay off the credit card with A. He says he was caused financial difficulties because of NewDay’s decision to reduce his limit on the Marbles card, as he couldn’t then repay the balance with A and had difficulty keeping up with day-to-day bills.

Following this, Mr M entered various payment arrangements with NewDay which he says he didn’t agree to. And in October 2025, when he attempted to make a repayment, found the Marbles account had been closed and sold to a third-party debt purchaser (DP). He later became aware the account had been sold 11 days after NewDay had notified of him it would do so. And within the period of time it said he could pay in full, to prevent this from happening.

As a result, Mr M complained, saying he was only on the plan because NewDay had advised him to do so and he could have repaid the outstanding amount. He considered this had impacted his credit file, and said he’d been keeping up with repayments under the plan.

NewDay reviewed matters but didn’t think it had acted unfairly. It explained it had assisted in setting up a repayment plan in September 2024, but at the time it was unaware the account would later be selected for sale. Following this, it explained it had reviewed Mr M’s account and decided to sell it to DP, which it notified him about on 3 October 2025. The account was subsequently sold on 14 October 2025.

An Investigator here reviewed matters but didn’t think NewDay had acted unfairly. Overall, they said while Mr M was in a repayment plan, he was not making the minimum monthly repayment required under the credit agreement. As such, NewDay’s terms and conditions allowed it to close and sell the account, which it ultimately chose to do, and it notified Mr M of this. Our Investigator also said NewDay hadn’t acted unfairly in reducing Mr M’s credit limit in 2022.

Mr M didn’t agree, saying he’d regularly paid more than the minimum amount due under the plan and had moved house in 2024 meaning he’d not received the closure letter. He also reiterated he’d called NewDay before the deadline of 3 December 2025 and offered to pay the balance in full, but was told the account had already been sold. As this was before the deadline it had given him to repay the balance he thought this was unfair.

Our Investigator looked at everything again, but didn’t change their outcome, noting that had Mr M repaid the balance before 3 December 2025 deadline, the account could have been

returned to NewDay. So transferring it before this date, wasn't unreasonable. They also said it was Mr M's responsibility to update NewDay with his new address, which he hadn't done, and this was the reason he'd not received letters.

Mr M remained unhappy, in summary saying a repayment plan on his Marbles credit card should never have been imposed. And as a result, he'd been significantly impacted.

As no agreement has been 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.

In doing so, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.

Credit limit decrease

In December 2022, NewDay made the decision to reduce the credit limit on Mr M's Marbles credit card from £4,400 to £650. I can see from the letter it sent him this was due to arrears on the credit card with A. This is a decision NewDay was entitled to make, the terms of Mr M's account allow for it, NewDay say:

"As a responsible lender, we monitor accounts on an ongoing basis to see how you're getting on and consider what is affordable before increasing a credit limit."

NewDay's responsibilities as a lender includes ensuring the credit limit it's offering customers is affordable. Given Mr M had fallen into arrears on his credit card with A, I don't think it's unreasonable NewDay reviewed his Marbles card also; and something I'd expect it to do. In doing so, it made the decision to reduce his limit, which seems reasonable, given he'd built up arrears on another card he was using. So, I can't agree NewDay acted unfairly in reducing Mr M's credit limit.

I'm aware Mr M has also said NewDay reduced his limit after he made a re-payment of £4,000. However, he's also said he made this payment in March 2022, but his limit wasn't reduced until December 2022. While I haven't seen his statements from this time, only what Mr M has said he paid, I don't think that's necessary here. That's because, based on what I have seen, any large payments he made towards the card wasn't the reason NewDay reduced his credit limit.

Overall then, I don't think NewDay made an error or acted unfairly in reducing his credit limit. This also means I can't hold it responsible for Mr M not being able to use funds from the Marbles credit card to pay off the credit card with A, as he's said he intended to do.

Repayment plans

Since 2023 Mr M has entered into various payment arrangements on his Marbles credit card. This appears to be due to various personal circumstances Mr M has experienced.

While Mr M was making some payments during this time, and on occasion more than the monthly minimum due, he was often missing payments and exceeding his available credit limit. As a result, NewDay froze Mr M's credit card on several occasions until he brought his account up to date.

In September 2024 Mr M carried out an income and expenditure (I&E) with Mr M and he agreed he could afford to repay £8 each month. At this point I can see NewDay wrote to Mr M explaining, amongst other things:

“What does this mean for me?”

- *We will let credit reference agencies know that you are on a repayment plan...*
- *We may also sell your account to a debt purchaser, who would take over managing it.”*

It also said this would remain in place until March 2025, after which point NewDay would review matters. I can see it did that here and the notes on its system say Mr M asked for the repayment plan to continue – which I can see it did.

On this point, Mr M has said the repayment plan was something NewDay suggested and not something he wanted to do. He’s not been clear which of the many arrangements he’s referring to here, so I’ve considered this more broadly. When there’s conflicting information on a case, I need to consider what, more likely than not, has happened. Here I can see an I&E was completed in September 2024 and subsequently agreed £8 per month was affordable. Given this, it seems reasonable a repayment plan was suitable at this time, as had Mr M not entered one he would have needed to repay substantially more than £8 per month. And, based on the I&E, that would have been more than Mr M had available at the end of each month.

Following this, the system notes from April 2024 are clear in saying Mr M didn’t want the repayment plan removed. It seems Mr M now disputes this, but in any case, even had he wanted to repay the outstanding amount in full, as he’s said, he could have done that – but he didn’t.

While I accept Mr M was generally repaying slightly more than £8 each month, typically around £10-£20, this was still less than the monthly repayment would have been, had he not been on a repayment plan. As such, I can’t agree NewDay acted unfairly in setting up or continuing the repayment plan, as it appears to have been beneficial to Mr M.

I should also add, while Mr M has said NewDay’s advice about repayment plans led to the reduction in his credit limit, I don’t think that’s the case. As noted above, Mr M’s credit limit had been decreased some years earlier. Given this, and based on the information I’ve seen, I can’t agree NewDay acted unfairly in putting various repayment plans in place.

Closure and sale of Mr M’s account to the DP

NewDay has said following a review of his account, it made the decision to sell the account to the DP on 3 October 2025.

I understand why Mr M is upset NewDay made the decision to close and sell the account, even after he set up a repayment plan. However, this is something NewDay was entitled to do. It also notified him of this when he entered the repayment plan in September 2024, as set out above.

I should also say, while on the repayment plan in August 2025, I can see a payment was missed – it was paid after the due date. As such the account was again suspended, which doesn’t seem unreasonable.

When NewDay wrote to Mr M on 3 October 2025, it said:

“We will now sell your balance to a regulated debt purchaser (DP) who will own the outstanding debt and take over responsibility for collecting it from you”

The letter went on to say:

“You can prevent your account from being sold to (DP) by repaying your full outstanding Marbles balance of £483.93 to NewDay by 3 December 2025”.

NewDay in fact sold the account to the DP on 14 October 2025, so I understand why Mr M is concerned about this. I agree on reading the letter I don't think NewDay made it clear the account could be sold before 3 December 2025, which is disappointing. So, while I do think NewDay made an error here, I'm required to consider what impact there has been to Mr M, if any.

He's said when he called NewDay on 6 October 2025 he offered to repay the amount in full, but it said he couldn't as the debt had been sold. However, having listened to this call, this isn't quite right.

NewDay initially explained the account had been selected to be sold. When Mr M asked whether he could remain on the payment plan, NewDay said it wasn't able to do that, as the account had been sold. Mr M went on to explain he was only on the repayment plan because NewDay had told him to do this and had he known he could have paid it off in full. As a result, NewDay set up a complaint for Mr M about the repayment plan. Of importance however is, during this call, I didn't hear Mr M ask NewDay whether he could now pay off the Marbles credit card.

I do agree NewDay could have perhaps been clearer during this call, about the options available to Mr M, given he said he'd moved address and hadn't received its letters. That said, I'm not persuaded this would have made a difference in this case. I say that because, up to this point Mr M hadn't been making full contractual payments, only reduced payments, and on occasion had also missed these. So, I'm not persuaded his previous actions show he would have made repayment in full in any case.

I should also say, NewDay has confirmed, had Mr M paid in full before 3 December 2025, as required, it could have returned the account from the DP. But he didn't do this, so it's reasonable the account remained with it.

I understand Mr M is concerned about the impact to his credit file, but ultimately he didn't make the payment by the due date, so I can't hold NewDay responsible for any impact that may have had. I would also point out Mr M's credit file has likely been impacted since he entered into plans with NewDay anyway – as I'd expect NewDay to have reported Mr M's account as potentially in arrears, or in an arrangement to pay.

For completeness, I understand Mr M says he moved house in 2024, so didn't receive NewDay's letters. However, I need to be persuaded the letters were sent, rather than Mr M received them – and I am. It wasn't until October 2025 that he gave NewDay his new address, so it's not fair to say it made an error in sending these to his old address either.

Taking everything into account, while this will come as a disappointment to Mr M, I can't agree that NewDay has acted unfairly here. It made the decision to reduce his credit limit in December 2022 and did so fairly. As Mr M was unable to keep up with payments, he entered repayment plans. Based on what I've seen NewDay reviewed his affordability in the way I'd expect and while Mr M now says he didn't need them, I haven't seen he made NewDay aware of this or paid off his outstanding balance. Although NewDay could have been clearer in its communication with Mr M, I think it made him aware it could sell the debt, while on a

repayment plan. And ultimately as payment wasn't made in full, it wasn't unfair to sell his debt to the DP. As such, I won't be asking NewDay to do anything here.

My final decision

For the reasons explained, I do not uphold this complaint.

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

Victoria Cheyne
Ombudsman