

The complaint

Mrs P is unhappy that NewDay Ltd, trading as Marbles, misallocated a £1,000 payment that she made to her account.

What happened

On 6 March 2025, Mrs P made a payment of £1,000 toward her Marbles credit card account. She says she made this payment through the Marbles app in the same way she had made previous payments, and she understood the app would ensure the payment was allocated to her account correctly. The payment left Mrs P's bank account, and she received an initial acknowledgement showing it as pending. But the payment didn't then appear on her Marbles account, and shortly afterwards Mrs P began receiving messages from NewDay saying she'd missed her payment for that month.

Mrs P contacted her bank which confirmed the £1,000 had left her account and been sent to NewDay. But when Mrs P spoke with NewDay, they told her that they couldn't find the payment and that it hadn't been applied to her account. Mrs P says she was then repeatedly contacted by NewDay about the "missed" payment, despite explaining several times that she had already paid and providing them with proof from her bank, and she says this caused her distress and left her feeling disbelieved.

Because the payment hadn't been allocated to her account by the due date, NewDay treated the payment as missed. As a result, they reduced the credit limit on a separate credit account Mrs P held from £8,000 to £250. Mrs P says this sudden reduction, combined with the ongoing dispute about the missing payment, meant she couldn't use her credit facilities and had to cancel travel plans and other financial arrangements she'd made.

On 11 March 2025, NewDay opened a "missing payment" case. They wrote to Mrs P requesting further information to help locate the payment. Mrs P emailed NewDay on 17 March with confirmation from her bank that the £1,000 payment had been made successfully. NewDay eventually located the payment and applied it to Mrs P's account on 24 March 2025. They also reinstated the credit limit on her other account shortly afterwards.

NewDay say the reason the payment wasn't applied immediately was that Mrs P used an incorrect payment reference, one they say related to an earlier payment, which meant their system placed the payment into a holding account. Mrs P disputes this. She says she didn't enter a reference manually at all and relied on the Marbles app to populate any necessary payment details. She feels the problem arose because of NewDay's systems, not because of anything she did wrong.

NewDay ultimately didn't uphold Mrs P's complaint, saying they made no error. Mrs P wasn't happy with NewDay's response, so she referred her complaint to this service where it was considered by an investigator. But the investigator didn't feel that NewDay had acted unfairly as Mrs P maintained. Mrs P didn't agree with that outcome. She said the investigator hadn't fairly considered the fact she used the Marbles app to make the payment, and she couldn't understand how she could be held responsible for a system failure she couldn't control. So, the matter was escalated to 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.

I issued a provisional decision on this complaint on 24 March 2026 as follows:

The central issue in this case is why the £1,000 payment Mrs P made on 6 March 2025 wasn't allocated to her NewDay account, and whether the resulting consequences, including the collections activity and the reduction of her other credit limit, were fair. To better understand what happened, I asked NewDay a number of specific and detailed questions about how Mrs P's payment was made, how payment references are generated and stored, and how their systems identify and allocate incoming payments that appear to relate to an existing customer.

Unfortunately, however, NewDay's responses haven't provided the clarity I needed. Several of their answers were incomplete, didn't address the questions asked, or contradicted other information they had already given us. For example, they haven't clearly explained whether the £1,000 payment was made through the Marbles app, as Mrs P says it was, or by some other method. This matters because if the payment was made through the app, then NewDay is responsible for the information the app populated, including the payment reference.

NewDay's responses also didn't clearly explain why a reference number NewDay say related to a previous payment wasn't recognised by their systems, or why the payment couldn't reasonably have been matched to Mrs P sooner, given that it had in fact been received by them. And they haven't adequately explained why, once Mrs P had sent them proof from her bank that the payment had been made, they continued to treat it as "not received" until it was located, rather than pausing adverse action while they investigated.

Because of these gaps and inconsistencies, I feel that NewDay hasn't provided enough reliable evidence to support their position that Mrs P caused this problem by using an incorrect payment reference. On the other hand, I feel that Mrs P's account of events, including that she used the Marbles app, relied on it to populate the required information, and didn't manually enter a reference, has been consistent and is entirely plausible.

In cases like this, where the firm is responsible for the systems involved and is in the best position to explain how a payment was processed, I would usually expect them to provide clear and coherent evidence to show what happened. NewDay haven't done so here, and as such I don't feel that it would be fair to place responsibility on Mrs P for the misallocation of her payment. I also don't think it was fair for NewDay to treat the payment as missed, to repeatedly contact Mrs P for payment during the period they were holding funds they had received but hadn't allocated, or to reduce her credit limit on her other account as a consequence of the payment appearing overdue.

All of which means that I presently feel that NewDay should have recognised Mrs P's payment sooner and shouldn't have taken the adverse actions they did. And I accept Mrs P's explanation that the situation caused her significant distress and inconvenience, particularly given the repeated contacts from NewDay, the temporary loss of access to credit she relied on, and the considerable uncertainty she experienced when NewDay couldn't confirm where her money had gone.

In consideration of the above, my provisional decision here is that I uphold this complaint in Mrs P's favour and instruct NewDay to rework Mrs P's account as if the £1,000 payment had

been correctly allocated on 6 March 2025. This should include removing any fees, charges, or interest that accrued because of the payment not being applied at the time. NewDay must also ensure that Mrs P's other credit account is restored to the position it would have been in had the payment been correctly allocated. This includes reversing the credit-limit reduction that resulted from the payment being treated as missed, if that has not been done already.

For clarity, this instruction does not prevent NewDay from making any future credit-limit decisions in line with their usual policies, provided those decisions are fairly reasoned and evidenced and not based on the events of this complaint.

NewDay must also correct Mrs P's credit file, if that has not already been done, so that no adverse markers or internal codes relating to this incident remain recorded. Finally, NewDay should pay £250 to Mrs P as compensation for the trouble and upset that she'd unfairly incurred here. In arriving at this compensation amount I've considered the impact of what happened on Mrs P alongside the general framework this service uses when assessing compensation amounts, details of which are available on this service's website. And, having done so, I presently feel that £250 is a fair amount.

NewDay didn't accept my provisional decision and provided several points of response to it. I've considered what they've said carefully, but it hasn't changed my position on this complaint.

NewDay say that a screenshot provided by Mrs P shows that the £1,000 payment made through the Marbles app was pending and was awaiting a decision from her bank, and that this shows that the payment hadn't been successful. NewDay also point out that this screenshot states that Mrs P would be emailed in due course to confirm whether the payment was successful.

I understand this point, but it doesn't address the concerns I raised in my provisional decision. My finding wasn't that the payment completed successfully through the app, but that Mrs P reasonably relied on the Marbles app when attempting to make her payment, and that the app displayed or generated payment information, including a reference, which was used when the payment was ultimately sent.

NewDay go on to say that Mrs P then made a Faster Payment from her bank using the reference number shown on the pending notification, and that because this reference was incorrect, the payment was held in unallocated cash. This largely repeats what NewDay have said previously but doesn't explain why that reference was shown to Mrs P in the first place, why it was reasonable to expect her to know it was unsuitable, or why a reference NewDay say related to a previous payment couldn't be recognised or matched sooner once the funds had been received. These were key points I asked NewDay to address, and I don't feel that their response to my provisional decision provides sufficient clarity.

NewDay haven't clearly explained the role the Marbles app played in this process, and they haven't demonstrated that Mrs P independently selected or manually entered the reference that was later described as incorrect. Where a customer uses a firm's app and relies on information it presents, I generally expect the firm to provide clear evidence if it considers the customer is responsible for any resulting error. In my opinion, NewDay hasn't done that.

NewDay also say that Mrs P's credit limit on her Debenhams account was reinstated on 27 March 2025, that no adverse information was recorded on her credit file, and that any associated fee and interest were refunded. I've taken this into account. But the fact that matters were later corrected doesn't mean the earlier treatment was fair, nor does it fully

address the distress and inconvenience Mrs P experienced while the payment remained unallocated and she was repeatedly told she'd missed a payment.

As I explained in my provisional decision, I asked NewDay a series of specific questions to help me understand exactly how this payment was processed and why it couldn't be identified earlier. Their responses, including this most recent one, haven't answered those questions in a clear or consistent way. In these circumstances and given that NewDay is best placed to explain how its own systems work, I don't think it's fair or reasonable to hold Mrs P responsible for what happened.

Accordingly, having considered NewDay's response, I still feel that they failed to recognise Mrs P's payment as promptly as they should have, and that the actions they took because of the payment appearing overdue were unfair. For those reasons, my position remains unchanged, and my final decision is that I uphold this complaint in Mrs P's favour on the basis described in my provisional decision.

Putting things right

NewDay must rework Mrs P's account as if the £1,000 payment had been correctly allocated on 6 March 2025. This should include removing any fees, charges, or interest that accrued because of the payment not being applied at the time.

NewDay must also ensure that Mrs P's other credit account is restored to the position it would have been in had the payment been correctly allocated. This includes reversing the credit-limit reduction that resulted from the payment being treated as missed, if that has not been done already.

For clarity, this instruction does not prevent NewDay from making any future credit-limit decisions in line with their usual policies, provided those decisions are fairly reasoned and evidenced and not based on the events of this complaint.

NewDay must also correct Mrs P's credit file, if that has not already been done, so that no adverse markers or internal codes relating to this incident remain recorded.

Finally, NewDay must pay £250 to Mrs P as compensation for the trouble and upset that she's unfairly incurred here.

My final decision

My final decision is that I uphold this complaint against NewDay Ltd, trading as Marbles, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 6 May 2026.

Paul Cooper
Ombudsman