

## **complaint**

That NewDay Ltd ("NewDay") lended irresponsibly to the late Mrs J in respect of a credit card.

## **background**

In May 2005 Mrs J took out a credit card with NewDay, (formerly Progressive Credit Limited) trading as Opus. The purpose of the borrowing was to allow her to transfer a balance from another card. In November 2005 the full balance on the card was repaid.

Mr J complained to NewDay that it should not have allowed the late Mrs J this borrowing as it increased her indebtedness and she struggled to repay it. NewDay's position is that it does not accept that it acted irresponsibly in allowing Mrs J to open a credit card account.

The complaint was referred to this service. Our adjudicator considered all of the evidence and could find nothing to show that NewDay had done anything wrong. The account had been opened, and credit limit set, on the basis of the information Mrs J provided in her application. She did it for the purposes of a balance transfer. The account was well maintained, and within six months of opening it the full balance was repaid.

Mr J did not accept the adjudicator's findings, and requested an ombudsman review for final decision.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

In so doing, I am of the same opinion as the adjudicator. I have not seen any evidence to indicate that NewDay behaved irresponsibly in respect of its lending with Mrs J. She applied for the card and the usual credit and affordability checks were carried out. She was then able to take advantage of the interest-free borrowing to allow her to transfer a balance from another card, therefore enabling her to more easily reduce her capital balance.

As the NewDay card was used to finance existing borrowing, it did not itself increase Mrs J's indebtedness. NewDay had good reason to believe, on the basis on the way in which the account was being maintained, that there were no issues with affordability.

On this basis I cannot reasonably conclude that NewDay acted irresponsibly, and cannot require it to pay any compensation to the late Mrs J's estate.

## **my final decision**

My final decision is that I do not uphold the complaint.

Ashley L B More  
**ombudsman**