

## **complaint**

Mrs G complains that NewDay Ltd mistakenly told her that she didn't have to make a credit card payment after it failed to collect her direct debit.

## **background**

Mrs G has a NewDay credit card and repays the full outstanding balance each month. In August 2018 a payment of £1,339 was due to be collected by NewDay but because of some technical problems it wasn't.

NewDay emailed Mrs G about what had happened. Mrs G thought the email was ambiguous so called NewDay and asked whether she needed to make up the missed payment. Mrs G was told that she didn't have to make her August 2018 payment.

Mrs G's explained that she called NewDay on a number of occasions and was consistently given the same information – that she didn't have to make up August 2018's payment.

Around 13 August 2018 Mrs G called NewDay to check again and this time was told she'd have to make up the payment and that it wouldn't be written off. Mrs G complained.

NewDay looked into Mrs G's complaint and initially offered £20 to resolve it. NewDay subsequently increased the offer to £30 but Mrs G didn't think that was fair so referred her complaint to this service.

When NewDay sent us its case submission it said it wanted to increase the settlement offered to Mrs G to £100. The adjudicator looked at what happened and said they thought NewDay's offer was fair so didn't ask it to do anything else. Mrs G asked for her complaint to be appealed so it's been passed to me to make a decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

When Mrs G asked to appeal her complaint she specifically wanted me to note that she'd been told she didn't have to make the payment up on numerous occasions. And while I've not been able to listen to all of her calls, I don't doubt what Mrs G says. But even accepting that Mrs G was told she wouldn't have to make the payment up several times, I'm of the view that it was fair for NewDay to ask her to do so later.

In this case, NewDay's made a number mistakes. It incorrectly failed to take August 2018's direct debit payment and then told Mrs G she wasn't required to make it up. And I accept that it's missed opportunities to correct its errors with Mrs G.

As I agree that Mrs G's complaint should be upheld I've focused on what NewDay should do to put things right. Mrs G says she thinks NewDay should be bound by its error and should've waived the £1,339 payment. But Mrs G spent the money she owed so I think it's fair that she repaid it. While I'd expect a business to make an offer to reflect a mistake it's made, I don't think it should be bound by a genuine error. And I'm satisfied the incorrect information Mrs G was given was a genuine error.

NewDay took steps to ensure Mrs G's credit file wasn't affected by its mistake and that she wasn't charged when the August 2018 payment didn't go through. NewDay didn't charge any interest (which given Mrs G clears her balance each month is reasonable) and offered her £30 to apologise. NewDay's since increased the offer to £100.

I've thought carefully about what happened and I've taken into account what Mrs G has told us about her circumstances around this time. Having done so, I'm satisfied the £100 NewDay's offered fairly reflects the impact of its error on Mrs G. As a result, I'm not telling NewDay to pay more or take any further action to resolve this complaint.

### **my final decision**

My decision is that I uphold this complaint and direct NewDay Ltd to pay Mrs G £100. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 18 March 2019.

Marco Manente  
**ombudsman**