

## **complaint**

Miss J says NewDay Ltd didn't recognise her financial difficulties despite her writing to them more than once. And it refused to let her repay £1 each month. She wants compensation for the stress and trauma which has impacted her health.

## **background**

Miss J opened a credit card account in July 2014 and met the minimum repayment until December that year. That month she was charged an over-limit fee; from January to March 2015 both over limit and late fees were applied to her account; and in April 2015 an over-limit fee was applied.

Miss J says she wrote to the business explaining her situation several times, but never got a response. It just continued to call her chasing payment and she felt bullied.

NewDay says it received a letter from Miss J in early February and put all calls from its collections team on hold whilst it waited for more information from Miss J. She replied in early March saying she had contacted PayPlan. Miss J had asked not to be called but NewDay says it did so as it needed her PayPlan reference number so it could freeze her interest and charges. When Miss J didn't return its calls it contacted PayPlan directly. PayPlan said no arrangement had been set up with them. In mid March NewDay sent Miss J an Income and Expenditure form to complete.

Miss J sent another letter in early April with more details about her medical circumstances and NewDay then put a block on her account to stop any further interest and charges (there was a week's delay in doing this). At this point the business hadn't received the completed Income and Expenditure form. Miss J returned this in June 2015 and on receipt NewDay agreed to a £1 a month repayment plan, with all interest and charges remaining frozen.

To compensate for the week's delay in putting the block on Miss J's account in April it offered £20 and to refund the April 2015 over-limit fee.

Our adjudicator said that the business had responded positively to Miss J's situation once it had the information it needed, and recommended Miss J accept the settlement offer.

Miss J disagreed saying the compensation was not enough given the level of stress and trauma she'd suffered.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusion as our adjudicator and for the same reasons.

I can't agree with Miss J's claims that NewDay didn't recognise her financial difficulties. I have reviewed the contact between the business and Miss J and am satisfied NewDay met its obligation to treat customers in financial difficulties positively and sympathetically.

It put collections calls on hold, froze interest and charges and once Miss J returned the Income and Expenditure form it agreed to a nominal monthly repayment within a week. I can't see it should have done anything differently. I am very sorry that Miss J's personal

circumstances were so difficult, and sad, at this time but I can't conclude NewDay made any errors that it needs to correct or compensate for. All late fees and over-limit fees between December 2014 and April 2015 were applied in line with how the account was managed and its terms and conditions.

I'm satisfied that its attempts to contact Miss J were with the intention of getting more information about her situation so it could help. I say this as within a week of Miss J sending in the financial information it asked for nearly three months prior, it agreed to accept a nominal monthly repayment.

So it follows I can't instruct NewDay to increase the settlement offer it's made. This was to pay Miss J £20 as a goodwill gesture for delaying the account block by a week in April and to refund the April 2015 over-limit fee to her account. In making this conclusion I hope Miss J doesn't think I under-estimate the impact of very sad loss she's been through, but the balance of the evidence doesn't support her claim that the bank didn't recognise her financial difficulties.

### **my final decision**

My decision is that I don't uphold this complaint. I leave it with Miss J to decide whether to accept NewDay Ltd's offer as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 7 December 2015.

Rebecca Connelley  
**ombudsman**