

### **complaint**

Ms D is unhappy about the interest and charges that have been added to a store card she took out with NewDay Ltd. In summary, she says that these additional fees should be cancelled as they were added to the initial balance of £45 (for the purchase of a dress) without her knowledge and while she was awaiting her brand new card.

### **our initial conclusions**

Our adjudicator recommended this complaint be partially upheld and for the business to write off half of the outstanding fees. He noted that Ms D had failed to provide her apartment number on the store card application form she signed, which meant the card, and payment demands were returned to NewDay. He acknowledged that Ms D was responsible for this. However, he also found it reasonable for NewDay to have gotten in touch with her by other means to prevent the situation escalating. NewDay disagrees. In summary, it says Ms D should have contacted it when her card failed to arrive. And she should have given it her exact address and updated it when she moved.

### **my final decision**

To decide what is fair and reasonable in this complaint, I have considered everything that Ms D and the business have provided. From the available evidence I consider it likely that Ms D never received the statement, card and payment reminders due to a failure to provide her specific apartment number on the application form for the card. Whether or not she had a re-direct in place when she later moved I do not consider a material issue considering that the original address was incomplete in any event. Ms D signed the application so should take some responsibility for the charges. I also accept she could have chased up the matter sooner (Ms D says that she did not realise that several months had elapsed). However, I don't find Ms D was trying to avoid payment. She says she always intended to pay for her purchase and would have done so immediately had she received the card and statement. I find her submissions credible and note she eventually paid for the purchase. NewDay acknowledges that it was receiving returned mail, yet it did not attempt to contact Ms D sooner (by other means) to find out why. As it had her mobile number this would have likely been a straightforward task. I find in this case both sides could have done more to avoid the fees on the card escalating. **My final decision is that it is fair and reasonable that NewDay Ltd should write off half of the £65.90 outstanding balance on Ms D's account.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Ms D either to accept or reject my decision before 13 January 2015.**

*Mark Lancod*

*ombudsman at the Financial Ombudsman Service*

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

#### **ombudsman notes**

#### **what is a final decision?**

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

#### **what happens next?**

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.