

## **complaint**

Mr B complains that Newday Ltd ignored his correspondence and phone calls about a fixed sum loan agreement.

## **background**

Mr B thought the loan agreement was in joint names. Around two years after the loan had been agreed, he asked Newday to transfer it into the sole name of the other party who had kept the goods.

The adjudicator recommended that the complaint should be upheld in part. He concluded that the loan agreement was in Mr B's sole name but that this could have been clarified much earlier than it was, so that he understood he was responsible for repayment. The adjudicator also thought Newday should have accepted Mr B's request not to phone him on a particular day. He recommended that Newday should pay Mr B £200 for the poor service.

Newday responded to say, in summary, that it could only find one occasion when it did not respond to Mr B.

## **my findings**

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

The loan agreement is in Mr B's sole name, although the direct debit was from a joint account which is probably why Mr B thought the loan was in joint names. Payments were maintained for around two and a half years, but then Newday cancelled the direct debit in error. Before the direct debit was cancelled, Mr B wrote to Newday to tell it about a change in his circumstances and to ask for the loan to be transferred into the name of the other joint party. He wrote to Newday on at least three occasions and spoke to it several times before it clarified that the loan was in his sole name.

Like the adjudicator, I think Newday could have clarified the position earlier and it should compensate Mr B for the poor service he received. It also should have acted on his request not to phone him on a particular day. I assess fair compensation to be £200.

Mr B remains liable for repayment of the loan and should contact Newday to make arrangements to pay.

## **my final decision**

My final decision is that Newday Ltd should pay Mr B £200. For the avoidance of doubt, this should be sent directly to Mr B and not credited to the loan account.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 26 May 2015.

Elizabeth Dawes  
**ombudsman**