

complaint

Mr C complains about the customer service he's received from NewDay Ltd. Mr C says he's had direct debit issues with funds not being taken, which resulted in him incurring late fees. Mr C wants his credit card balance written off and compensation awarded to him from NewDay.

background

NewDay agreed to pay Mr C £75 compensation by way of an apology for any distress and inconvenience he had experienced during this whole matter. And they refunded him £96 of interest and fees which he incurred as a result of errors on his account.

An adjudicator then reviewed the case and proposed NewDay pay Mr C an additional £50 compensation. NewDay agreed to pay this additional sum. In light of Mr C not accepting this view, the matter has now been referred to me for consideration.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I too have reached the same outcome as the adjudicator, for broadly the same reasons. Please note whilst I have considered all the issues raised, my decision focuses on what I think are the key issues in dispute.

NewDay has acknowledged the errors they made in respect of Mr C's account. I'm satisfied that NewDay has refunded Mr C any fees or interest applied to his account due to this.

As the adjudicator has mentioned, when NewDay reinstated the direct debit, they failed to set this up for the date Mr C had requested. I agree with the adjudicator that this was a failing on behalf of NewDay. I too think an additional £50 compensation acknowledges this point. This additional sum of compensation also acknowledges the length of time it has taken NewDay to resolve Mr C's service complaint.

As the adjudicator has already explained I think NewDay did tell Mr C that he wouldn't be able to use his card until the payment was showing on his account. And that if a payment was missed, Mr C wouldn't be able to use his card until a payment had been made. I don't accept that the calls NewDay made to contact Mr C to discuss this matter were unreasonable.

Mr C wanted his account placed on hold with NewDay whilst our service was looking into his complaint. It was clearly explained that NewDay would not agree to this. Mr C has told our service that a CCJ has now been filed against him. Whilst I note Mr C wants us to tell NewDay to write off the outstanding balance on his credit card, I'm afraid I'm unable to do this.

my final decision

My final decision is that NewDay Ltd should pay Mr C an additional £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 20 February 2020.

Robyn McNamee
ombudsman