

complaint

Mr V complains NewDay Ltd unfairly increased the interest rate on his credit card.

background

NewDay increased Mr V's credit card interest rate twice. It says this happened after credit risk assessments.

Mr V says this is unfair as he's made all the required payments to NewDay and other providers. He wants the increases reversed. NewDay refused to do this. It said they were made in line with the terms of his account. He also wants a more detailed explanation of the reasons for the increases. But NewDay refused to provide one.

Our investigator didn't think NewDay had done anything wrong. Mr V didn't accept that. So the complaint has come to me for a final 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. Having done this, I'm not making NewDay do anything differently.

Both increases were made in line the terms of Mr V's account and the best practice guidelines NewDay is expected to follow. For example, Mr V was given the required notice period and the option to close the account and repay the balance at the existing rate. And the rate wasn't increased more than once in six months. So I don't think NewDay did anything wrong. And I'm not making it reverse the increases.

NewDay isn't willing to provide Mr V any further detail of reasons for making the increases. It says to do that would be to share confidential business information. I think it's reasonable for NewDay to keep commercial information private. So I will not be making it provide Mr V with any further information.

my final decision

For the reasons given above, I'm not making NewDay Ltd do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 2 January 2018.

Daniel Martin
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