

complaint

Mr L complains that NewDay Limited, trading as Opus, has not provided the detailed calculations of the amounts that he has been charged that he has requested and that it has removed the special monthly rate of interest that applied to a cheque payment.

background

Mr L has a credit card account with Opus. He issued a cheque for £5,400 from the account in 2008 on the understanding that he would receive a special rate of interest until the amount was repaid in full. His account exceeded its credit limit in November 2012, so Opus removed the special rate of interest. Mr L complained to Opus but was not satisfied with its response so complained to this service.

The adjudicator did not recommend that this complaint should be upheld. She did not consider that it was necessary for Opus to provide detailed calculations of the amounts that Mr L had been charged. She could not conclude that Opus had made an error in removing the special rate of interest as it had acted in line with the terms and conditions.

Mr L has responded in detail and says, in summary, that it is not possible to respond to his complaint without the calculations that he has requested, the rate of interest applicable to the cheque was a fixed rate and not a promotional rate, that his credit agreement has been misrepresented and misdescribed and that he should therefore receive the substantial compensation that he has detailed in his correspondence.

my findings

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

We offer an informal dispute resolution service and try to resolve complaints by looking at what we consider to be fair and reasonable in the circumstances of the complaint. I intend no discourtesy to Mr L but I will not be responding to each of the detailed points that he has made. Instead, I will respond to what I consider to be the important parts of his complaint.

I do not consider that detailed calculations of the amounts that Mr L has been charged are necessary for me to consider his complaint.

The account statement for March 2008 shows the cheque for £5,400 that Mr L paid from the account. That entry includes the words: *"PROM CHQ 5.9% PA UNTIL PAID IN FULL 402100"*. I understand that to mean "promotional cheque 5.9% per annum until paid in full". The statement also says: *"Promotional interest rates may apply to some or all of your outstanding balance"*. The account was transferred to Opus in December 2010 and the first statement from Opus said: *"Promotional rates may not apply if you miss a payment or exceed your credit limit"*. Mr L exceeded his credit limit in November 2012 and Opus removed the promotional rate of interest.

I consider that the interest rate applicable to Mr L's cheque payment was a promotional rate and that Opus was entitled to remove that rate when he exceeded his overdraft limit. I am therefore not persuaded that it would be fair or reasonable for me to require Opus to pay any compensation to Mr L. Even if I was persuaded that it should pay compensation to him -

which I am not - the compensation would be modest and not the substantial amounts that he has claimed.

I am not persuaded that there is enough evidence to show that Opus has applied payments to Mr L's account other than in accordance with the terms and conditions of the account or that it has removed the promotional interest rate as revenge for him complaining about it overcharging him.

my final decision

For these reasons, my decision is that I do not uphold Mr L's complaint.

Jarrold Hastings
ombudsman