

complaint

Miss W complains that the compensation NewDay Ltd has paid her isn't enough for the distress and inconvenience it's caused her over a partial balance transfer from her credit card account.

background

In November 2015 Miss W wanted NewDay to transfer part of the balance on her Aqua card to a credit card account she had with a third party. It didn't do this until the beginning of February 2016.

NewDay said that the problem had happened because of a technical error. It refunded the interest charged in December 2015 and January 2016. It refunded two "over limit" fees and paid £75 into her account as compensation for the inconvenience caused.

The adjudicator didn't recommend the account should be upheld. She said the problem began when Miss W quoted the wrong reference number at the beginning of the balance transfer process. But when Miss W spoke to NewDay in January to find out what had happened it acted quickly and gave her a fair and reasonable settlement. Miss W didn't agree. She said NewDay hadn't replied to any of the faxes from the other credit card company. She thought NewDay should pay her more compensation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

NewDay has accepted it did something wrong during the balance transfer process so the issue I have to decide is the amount of compensation it should award to Miss W.

Although Miss W had given the wrong reference number, NewDay didn't return the money to the other credit card company when it couldn't find the right account. So the problem didn't come to light until January 2016 when Miss W contacted NewDay to find out why the transfer hadn't happened. NewDay has refunded interest and charges which has put Miss W back in the position she would've been in had the transfer been made when she wanted.

NewDay has also paid Miss W £75 compensation. I've taken into account Miss W's concerns about the faxes but I think NewDay acted promptly when Miss W told it there was a problem. It's not our role to punish financial organisations and the awards we make are generally modest. So I think £75 is fair and reasonable in the circumstances of this complaint. I know Miss W will be disappointed with my decision but for the reasons I've given I can't fairly ask NewDay to anything more.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 11 July 2016.

Linda Freestone
ombudsman