

## **complaint**

Mr G is unhappy that NewDay Ltd didn't do more to help when he got into financial difficulties.

## **background**

Mr G says he took out a store card with NewDay many years ago and got into financial difficulty around 2008 due to ill-health. He could only afford to make the minimum monthly repayment and thinks NewDay should've done more to help him.

Our investigation thought the limited evidence suggested NewDay had tried to help Mr G when he was having difficulties. So she didn't recommend his complaint should be upheld. But Mr G disagreed – he said he'd been struggling to meet the minimum monthly payment for years before the account was defaulted and NewDay should refund the interest he's been charged on the debt.

Mr G didn't accept this so the complaint has come to me.

## **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 so I don't uphold this complaint.

As the investigator explained, NewDay has limited records relating to his account, mainly because it was defaulted in 2014 and the debt sold on to another lender. That doesn't surprise me and I wouldn't expect a lender to retain detailed records indefinitely.

Lenders are required to treat consumers positively and sympathetically when they're in financial difficulty. But the rules and best practice in force when Mr G was having problems didn't require NewDay to automatically suspend charges and interest. Or take other action simply because he was only able to make the minimum monthly repayments or may have missed or been late with a few payments over the years.

It seems when Mr G did get in touch to discuss his escalating problems in 2014 a repayment plan was agreed. Unfortunately, he wasn't able to stick to the plan so the account was defaulted. I don't think that was an unfair course of action given that the relationship between Mr G and NewDay seems to have broken down at that point. In my experience interest and charges tend to be suspended completely once an account is defaulted and I also think it's possible that would've been done as part of the repayment plan too.

Overall, given the evidence I've seen, I can't fairly conclude that NewDay acted unreasonably.

## **my final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 14 June 2019.

Ruth Hersey  
**ombudsman**