

complaint

Mr A's son complains that NewDay Ltd sent his father a threatening letter about an outstanding debt. This is the second time it's happened and it's affecting his father's health.

background

Mr A opened a store card account in the mid-1990s. He's always paid the full balance before the due date. But about five years ago the business wrote to him to tell him he owed money on the account. It later accepted this wasn't correct and paid him some compensation. The same situation has arisen again. He's had to make a number of phone calls and it's had an impact on his health.

NewDay apologised for its mistake and paid him £10 for the upset and inconvenience this error had caused.

The adjudicator didn't recommend that NewDay should do anything more. She could see Mr A had contacted it as soon as he received the letter and it immediately accepted it'd been sent to him by mistake and apologised. She appreciated Mr A's frustration at receiving two similar letters but in light of the fact that five years had passed and this wasn't an error that had been repeated over a short period of time, she didn't think NewDay should do any more.

Mr A wasn't happy with this. He said this has damaged his health and he wants a strongly worded letter to be sent.

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 know Mr A will be upset by my decision but I've come to the same conclusion as the adjudicator for much the same reasons.

NewDay has made a mistake and it's apologised to Mr A so the issue I have to decide is the amount of compensation it should pay him for the trouble and upset it's caused. The rules under which we operate don't allow us to punish banks and other financial organisations so in light of that I have to decide if £10 is fair and reasonable in all the circumstances.

Mr A will disagree with me but it seems that NewDay's mistake shouldn't have had more than a moderate impact on him. I say this because as soon as NewDay was aware of the problem, it apologised and paid him £10 for the inconvenience caused. I appreciate Mr A says this is the second time NewDay has made this mistake but the last time was over 5 years ago and again it seems that the business dealt with it to Mr A's satisfaction. Looking at all the circumstances I don't think NewDay could've foreseen that its mistake would have had an impact on Mr A's health. So I don't think it's fair and reasonable to ask it to do any more. Mr A wants us to write a strongly worded letter to NewDay. But as I'm not upholding Mr A's complaint this isn't something I can do.

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 Mr A to accept or reject my decision before 12 September 2016.

Linda Freestone
ombudsman