

complaint

Mr G complains that NewDay Ltd (trading as Opus) say he still owes money on a credit card account whereas he says he has finished paying off the debt.

background

In 2009 Mr G got into financial difficulties. Between then and 2014 he had an arrangement with Opus to pay regular payments to reduce the debt on his card, and Opus agreed not to impose interest or charges. In 2014 Mr G made a final payment which by his calculation would have meant he had paid off all the debt. But Opus initially said he still owed over £1,000. Later it agreed that the arrangement should have started sooner and refunded an amount in interest and charges from 2009. It then said Mr G owed £327.58. Mr G says he paid every month during the period of the arrangement, but Opus says a payment of £143 was missed in August 2009.

The adjudicator did not recommend that the complaint was upheld. He said that the money Opus still said Mr G owed consisted of a missed payment in August 2009 and interest and charges involved with that. Although Mr G had a handwritten note on his credit card statement to show he had paid in August 2009 and his bank statement showed a withdrawal of £143, it was not conclusive proof that the payment had been sent.

Mr G asked for his complaint to be reviewed by an Ombudsman.

my findings

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

Having done that it seems to me that there are two main reasons why Mr G's calculations do not match those of Opus.

The first is the issue of a missing payment. I accept that the withdrawal shown on Mr G's bank statement of £143 on 14 August was a payment to Opus (even though that isn't obvious from the bank statement). Opus's records show that they received a payment of £143 on 18 August: which is entirely consistent with that. But that payment was actually late, and so Opus counted it as a September payment – which is why it says Mr G missed a payment in August. That probably wouldn't matter now if he had actually made a payment in September. But Opus's records don't show it receiving another payment (after the 18 August one) until 7 October. I know Mr G has written on his copy statement for August that he paid £143 again on 2 September, but there is nothing in his bank statements to show that he did. I realise that he could have paid with cash, but if he did and Opus didn't record that on his account statement, I might have expected him to question that at the time. On balance, lacking evidence of that payment, I think he didn't pay in September and so that explains in part why the debt has not yet been paid off.

The second main reason why Mr G's calculation differs from Opus's is because he assumes he wouldn't owe any interest or charges after June 2009. But Opus's calculations include interest and charges for July 2009. When Opus agreed that the arrangement had started earlier than it had previously accepted, it said that it was refunding interest and charges from "July to November 2009". I have checked with Opus which said that Mr G first contacted it about his difficulties in July, documents were sent out for him to return and the plan was

implemented in August 2009. Without evidence from Mr G to show that the plan should have been implemented from July 2009, I do not have grounds to question that.

There were also some much less significant differences. In November 2011 Mr G was charged £4.16 in interest (but had a larger amount of interest charged the previous month refunded) and in August 2014, for some reason Opus has not been able to explain, he was charged £0.75 in interest.

However I think it is fair and reasonable for Opus to say that Mr G has not yet paid off the account in full and I think he still owes just over £322. Mr G has clearly shown by his payments from 2009 to 2014 he is committed to paying off the account when he is able. I assume that, as that would be fair and reasonable, Opus will take into account the small anomalies of interest being charged in in November 2011 and August 2014 when making arrangements with Mr G for him to pay off the amount outstanding.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr G to accept or reject my decision before 20 July 2015.

Hilary Bainbridge
ombudsman