

## **complaint**

Mrs C complains about a Debenhams credit card, which is provided by NewDay Ltd. She says she received poor customer service, and she wants compensation for the inconvenience.

## **background**

Mrs C opened a credit card account when she visited Debenhams. Her application was approved when she opened the account. But NewDay wrote to Mrs C to ask her to contact Debenhams as it hadn't received her signed application form. Mrs C says she visited Debenhams but its staff weren't able to help. She also says she telephoned NewDay but it wasn't able to tell her what the problem was. She says she was worried about her credit rating so she paid off her outstanding balance and closed her account. Mrs C was also annoyed as she received £43 worth of reward vouchers but she couldn't spend them as her account was on hold.

NewDay said it's required to hold a copy of Mrs C's signed credit card agreement. It said it hadn't received a copy of her signed form, so it was entitled to put her account on hold. NewDay apologised to Mrs C for any inconvenience and paid her £20 compensation.

The adjudicator thought NewDay and Debenhams had provided Mrs C with poor service. He thought NewDay should pay Mrs C an additional £80 compensation for inconvenience.

NewDay didn't agree with the adjudicator's decision and wanted an ombudsman to reconsider. It offered to pay an extra £50 compensation to Mrs C.

Mrs C didn't accept NewDay's offer of £50 compensation. She also wanted an ombudsman to reconsider the adjudicator's decision.

## **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 can see why NewDay required a signed copy of Mrs C's credit card agreement. But its records show it told Mrs C there wasn't a problem with her application when she telephoned it. I think there was a good deal of confusion between NewDay and Debenhams, and no-one tried to help Mrs C sort things out when she asked. I can see why Mrs C was frustrated with NewDay and Debenhams. But I'm not the regulator so I can't tell them to change their processes.

I do think it was inconvenient for Mrs C to have to repay her balance immediately. I also think it was inconvenient for Mrs C to spend time contacting Debenhams and NewDay. So I agree with the adjudicator that Mrs C's compensation should be increased. But I think it was also frustrating for Mrs C when she couldn't use her reward vouchers. I think it's fair for NewDay to compensate Mrs C for the cost of these vouchers as well. So I require NewDay to pay Mrs C £150 which includes compensation for the vouchers.

NewDay has already paid Mrs C £20. So I require NewDay to pay Mrs C another £130.

**my final decision**

My final decision is I require NewDay Ltd to pay Mrs C £130.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 29 December 2015.

Ayesha Siddiqi  
**ombudsman**