

complaint

Ms L complains about the service she received from NewDay Ltd in connection with her credit card account.

background

Ms L complained to NewDay because she was unhappy with its handling of her request for an increase in her credit limit. And, being unhappy with its response, she complained to this service.

Our adjudicator thought Ms L's complaint should be partly upheld. And NewDay should pay her £50 compensation for the trouble and upset she'd experienced as a result of its poor service.

NewDay accepted the adjudicator's recommendation.

Ms L considered she should receive more compensation. So, the matter's been referred to me to make a final 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've decided to partly uphold Ms L's complaint and to ask NewDay to pay her £50 compensation. I'll explain why.

Ms L says she wrote to NewDay on 7 October 2016 requesting an increase in her credit limit. She says she called some time later to check her letter had been received and was told she was sent a letter on 7/10/16 to inform her of an increase in her limit to £1,300. Ms L says she disputed this as her letter was sent to NewDay the same day and no increase had been made. And she says she was later told the limit was increased on 10 October. Ms L also says she was put through to the NewDay complaints team and was unhappy with the way she was dealt with. So, Ms L says she called NewDay again and asked to speak to a team leader or manager. But she says her request was refused twice because 'managers don't speak to customers'.

Ms L also says she wants NewDay to consider her requested credit limit increase. And to compensate her for the distress and inconvenience it's caused her.

NewDay says its records show Ms L contacted it by phone on 7 October 2016 and asked for a credit limit increase from £1300, which was declined. And it says she wrote to it on the same day about that matter. NewDay says Ms L phoned it again on 10 October to check her balance and to find out if a refund had been credited to her account. NewDay says unfortunately, due to a system issue, it can't retrieve either of these calls. But it says the account notes explain the reasons for the calls.

NewDay also says on 12 October it received the letter Ms L had sent it on 7 October, requesting a credit limit increase. And it says when the letter was reviewed on 13 October no action was taken as it could see the issue had already been discussed with Ms L on 7 October. But it says it now accepts it should've sent a written response to her letter anyway.

In addition, NewDay says on 17 October Ms L phoned again to ask if she could have a credit limit increase. And she was told this facility wasn't available to her at that time. NewDay says Ms L's call was then passed to its escalations line, which meant it was transferred to a fully qualified complaint handler, who again explained to her that NewDay couldn't increase the limit at that time. It says Ms L was unhappy with the decision and asked to speak to a team leader and she was advised that one wasn't available.

This service can't interfere in the commercial decisions financial businesses make. So, I can't look at the merits of NewDay's decision not to increase Ms L's credit limit. But I can consider the standard of customer service it gave her.

From the information I've seen, there appears to have been some confusion between the parties in the phone call on 7 October about whether they were discussing a credit limit increase NewDay had recently given Ms L, or a further increase she was then seeking.

We don't have copies of the calls on 7 and 10 October, but I've reviewed the recording NewDay's given us of the call Ms L made to it on 17 October. And I don't think it was handled inappropriately by NewDay. It's given us an explanation why team leaders don't get involved in considering complaints. And I see it gave Ms L a £10 credit on her account to reflect the time she'd spent on the phone about the matter.

NewDay should've sent Ms L a letter in reply to her letter requesting an increase in her credit limit. But it's now acknowledged its mistake and agreed to pay her £50 compensation for the trouble and upset she experienced as a result.

I think this is reasonable. And I don't think it would be fair for me to ask it to pay her any more compensation, in the circumstances.

my final decision

I partly uphold Ms L's complaint against NewDay Limited. It must pay Ms L £50 compensation for the trouble and upset she experienced as a result of the poor customer service it gave her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 30 January 2017.

Robert Collinson
ombudsman