

complaint

Mr T's unhappy that NewDay Ltd has applied late payment fees to his account.

background

Mr T set up a standing order to make payments to NewDay. But the date the money was due to go out of his account was on some occasions a bank holiday. As a result the payment was sent the next day and arrived late. So, NewDay applied a late payment fee. Mr T's unhappy about this.

Our adjudicator felt this complaint shouldn't be upheld. He said:

- NewDay refunded a late payment fee as a gesture of goodwill. It also told Mr T the reason why he incurred this charge and explained how to avoid similar charges in future. That's fair and reasonable. Despite this Mr T has continued to incur some charges.
- Mr T is frustrated that all his other creditors are paid on the same day and don't charge a late payment fee. But NewDay choses to charge for payments which are late even if it's a bank holiday. We can't tell it to change its policy and procedure. Its Mr T's responsibility to ensure his payments are made on time and of factors that may delay them.
- NewDay has dealt with Mr T fairly and he's not asking it to do anymore.

Mr T doesn't agree. He points out that his statement says a minimum payment is due on a bank holiday. But his bank doesn't make transfers that day so his payment won't reach his account on a bank holiday. Only NewDay has applied a late payment fee in this situation.

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 agree with the adjudicator's conclusions for the same reasons.

Although I recognise Mr T's frustration I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 10 October 2016.

Stephen Cooper
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