

## **complaint**

Miss R complains that NewDay Ltd harassed her for outstanding payments.

## **background**

Miss R had four debts with NewDay and with the help of a debt management agency she had entered into repayment arrangements. She changed to another debt management agency and it offered to increase her payments, but NewDay refused to accept several offers. It said that its business processes were unable to accept more than 4% above the minimum payment.

NewDay made numerous calls to Miss R and so she complained. It explained that: *"when a customer is not accepted on an arrangement the account will continue to receive collections activity and calls are made when an account is overdue or in arrears."* NewDay said it had adhered to its business policies. However, it accepted it had told her two payments hadn't been made when they had been. It apologised for this.

Miss R brought her complaint to this service and it was considered by one of our investigators who recommend it be upheld. He noted that Miss R had been calling Miss R regularly and on occasion had called her up to ten times a day. He also said that it had called her after her account was cleared and closed. He also pointed out that NewDay had incorrectly told her she hadn't made two payments which she had in fact paid.

He appreciated NewDay's aim of making collection calls was to ensure any overdue payments are paid promptly. But, it was clear Miss R was making efforts to get on top of her financial situation and specifically this particular debt. He thought that she was making contact with NewDay's call centre to discuss the account and it could have been more sympathetic. He considered NewDay should pay £150 compensation for the distress and inconvenience it had caused.

Miss R agreed, but NewDay didn't. It said that the numerous calls were due to it not making contact and the two made after the debt had been paid were made before the last payment had been posted to her account. It accepted it had given her incorrect information but didn't think this merited compensation.

## **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 appreciate that NewDay was keen to collect money owed by Miss R, but I think its automated systems didn't take into account the efforts she was making to pay and her desire to clear her debt. The fact that calls went unanswered doesn't mean that ten or so a day isn't overly intrusive.

Nor do I think that because Miss R's payment hadn't been posted to her account by NewDay it should be deemed reasonable to make calls when no money was owed. I think these calls were simply a product of its over enthusiastic automated calls system.

To its credit NewDay has accepted it misled Miss R about two payments even if it thinks no compensation is merited. I disagree and I believe that Miss R was caused distress which

seems to have stemmed from her efforts to increase her payments and so get a grip on her finances. Therefore I find myself in agreement with the investigator that I should pay Miss R £150 compensation.

**my final decision**

My final decision is that I uphold this complaint and I direct NewDay Ltd to pay Miss R £150 compensation. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 17 May 2018.

Ivor Graham  
**ombudsman**