

complaint

Mr H complains about the way in which NewDay Ltd (trading as Opus) ("New Day") wrote to him.

background

Mr H opened a credit card account with New Day in 2007. In 2013 New Day accepted a partial settlement payment and advised Mr H that the balance would be recorded on his credit file as a default.

In 2016 Mr H received a letter from New Day enclosing a Default Notice. He complains that the letter was threatening because it contained references to court action and debt collection agencies. Mr H says that the letter caused him distress. He wants an apology and compensation.

The adjudicator did not recommend that the complaint should be upheld. He said that New Day had dealt with the complaint fairly and that the £50 compensation offered by New Day was reasonable.

Mr H did not agree. He says that he is elderly and in poor health and that the distress caused by the letter could have had serious consequences.

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'm satisfied that Mr H was made aware in 2013 that his partial settlement payment would result in the remainder of the balance being recorded on his credit file as a default.

I appreciate that Mr H wasn't expecting to receive a letter from New Day in 2016. I've seen a copy of the letter and the Default Notice. I acknowledge that the Default Notice contains references to court action and debt collection agencies. But the letter clearly explains to Mr H that New Day was sending the Default Notice to him now because they had failed to send the relevant regulatory letters and Default Notice to him when they should have done in 2013.

I understand that the wording on the Default Notice may have caused Mr H some confusion but I think that the intention of the letter is clear. I also think that the £50 compensation already offered by New Day is fair and reasonable in the circumstances.

I can see that New Day have already apologised to Mr H for any confusion caused.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 May 2017.

Emma Davy
ombudsman