

## **complaint**

Miss H complains that NewDay Ltd (trading as Aqua) has not returned a credit balance on her credit card account.

## **background**

Miss H arranged a payment to her card account from a different business in June 2017. This meant her card account with NewDay went into credit. It said it would send the balance of £263.04 back. It told her it had done so and that she would need to contact the other business when she had not received it.

The adjudicator recommended that the complaint be upheld. He said that:

- He had seen that NewDay had sent a payment on 10 July 2017. But this did not have Miss H's card number as a reference. It had been rejected.
- NewDay had made a further attempt to make the payment in March 2018. That payment had also been rejected. It could not show it had paid the money back.
- He said that it should refund the money by cheque to Miss H including simple interest of eight per cent per annum from 10 July 2017 to the date of settlement. It should also pay her £150 in compensation.

NewDay did not agree, saying it had since made a payment to the sort code and account details Miss H had given. Miss H should ask her bank to trace this. It cannot issue a cheque.

## **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 looked at evidence about the original refund made on 10 July 2017. NewDay says that a column headed up 'Narrative 2' on its payment schedule is for internal use. That had a number unrelated to Miss H. So I can't see that it gave Miss H's credit card account number at the other financial business with this payment.

Miss H says she contacted that other business and NewDay on numerous occasions about the payment. The final response she received to her complaint dated 7 November 2017 contained inaccuracies. NewDay said that the payment had included her credit card number as a reference which was not correct. It also said that she should contact the other business to trace the payment. But that payment had already been returned to NewDay on 1 November 2017.

The other business has since given details for its sort code and account number which don't tie up to what was used by NewDay before either. NewDay has shown it has tried to send the payment to the correct details for that business on 28 March 2018, quoting Miss H's credit card number held there. For reasons which are not clear this was rejected on 4 April 2018.

NewDay says it cannot issue cheques. The adjudicator's confirmed with Miss H that it had the correct personal bank details for her. NewDay was unable to provide anything to me to show it had sent the amount to her bank as it now says.

This ought to have been a simple matter in the first place. Given what has happened and the time that has passed I agree with the resolution suggested by the adjudicator. The money should be refunded to Miss H with simple interest at eight per cent from 10 July 2017 to the date NewDay can show the refund is made successfully. It should also pay her compensation of £150 to reflect the inconvenience to her

There clearly seems an ongoing difficulty in payments being made even where the account details are correct. Miss H has already spent a considerable period of time looking into a previous refund. I place the responsibility here with NewDay for ensuring that it can establish that the outstanding payments are received by her. One sensible option the adjudicator made was that this be done by cheque but which seems not to be possible. But I leave it to NewDay to resolve this as I set out below.

### **my final decision**

My decision is that I uphold this complaint and I order NewDay Ltd (trading as Aqua) to:

- 1) Refund to Miss H £263.04.
- 2) Pay Miss H simple interest on the refund at eight per cent per annum from 10 July 2017 to the date that it is shown that the money has been credited correctly to Miss H.
- 3) Pay Miss H £150 in compensation.
- 4) Provide evidence to Miss H to show that the payments under 1 to 3 have been made correctly to her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 3 September 2018.

Michael Crewe  
**ombudsman**