

## **complaint**

Mrs T complains, in summary, that NewDay Limited, ("NDL"), has provided her with poor customer service.

## **background**

Mrs T had a store card account with NDL to use at a store, Q. Mrs T received a statement from NDL showing that the balance due on her account was £88.20. Mrs T contacted NDL on 4 August 2014 to make the full balance payment of £88.20, and was given a reference for the payment. But, because of staff error, NDL did not credit the payment to Mrs T's account. It chased her for payment from September 2014 until it offered to resolve the matter in February 2015 by paying her £110 compensation, refunding all late fees, and amending Mrs T's credit file. But, Mrs T was unhappy about the amount of compensation paid in view of the harassment she had suffered.

The adjudicator concluded that NDL should pay Mrs T additional compensation of £50, making a total of £160. He noted that NDL had accepted that it was responsible for the original error, and he said that this had caused Mrs T unnecessary distress and inconvenience.

Mrs T disagreed and responded to say that £160 compensation was rather low.

NDL disagreed and responded to say, in summary, that although Mrs T had complained about the harassment received from its collections department, most of its calls had gone through to her voicemail.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I note that Mrs T said that she did not receive voicemail messages from NDL. So, I can see that the calls made by NDL which went through to her voicemail would not have concerned her. But, Mrs T was concerned about the overall volume of calls and collections letters received from NDL. She also said that the letters seemed threatening to her. I can see that around seven calls were answered by Mrs T or a third party from September 2014 to February 2015. I can also see that Mrs T spoke to NDL about the matter on another seven occasions. Since Mrs T made the payment in August 2014, she had also received at least twelve written communications (including statements and statutory notices) chasing payment. I can see that this volume of communication for a payment which Mrs T had already made would be frustrating, and that Mrs T was caused upset as a result.

I also note that Mrs T's bank told her in a letter in March 2015 that it had made contact with NDL in October 2014 to trace the payment. NDL had told the bank that an error had been made and that Mrs T would receive a letter of apology within 28 days. This did not occur, and the acknowledgement of an error was not reflected in NDL's initial final response letter, in the collections activity which followed, and in its continued request for proof from Mrs T that the payment had been made. NDL said it had no record of the call with the bank. It suggested that the bank's call could have been with Q. But, I am not persuaded that this was likely as the bank's letter refers to the collections team and the waiving of charges, which Q would be unlikely to discuss.

I also note that Mrs T had been given a payment reference when she made the payment, but that this was of no use when she quoted it to NDL. Additionally I note from NDL's contact records that Mrs T was not asked for a bank statement to prove her payment until around four months after she had first raised the matter. So, I consider that the payment took longer to trace than it should have done, causing unnecessary trouble for Mrs T.

In these circumstances, I consider that the additional payment of £50 compensation is appropriate in view of the unnecessary trouble and upset caused to Mrs T over the six months it took NDL to rectify its initial error.

**my final decision**

My decision is that I uphold this complaint in part. In full and final settlement of this complaint, I order NewDay Limited to pay Mrs T an additional £50 compensation.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs T to accept or reject my decision before 10 August 2015.

Roslyn Rawson  
**ombudsman**