

complaint

Mr C says he was mis-sold payment protection insurance (PPI) when he took out a Marbles credit card with NewDay Ltd.

background

In 2003 Mr C was sold a Marbles credit card by another business (Business A). In February 2009, his account was transferred to a third business (Business B). In 2016 he complained that the credit card PPI was mis-sold. His complaint was rejected and he referred it to us.

NewDay has taken responsibility for the complaint because it provided the credit for the Marbles card.

During our investigation the businesses agreed to compensate Mr C in accordance with our guidance. And in May 2016 NewDay sent Mr C two cheques, one for £517.89 and one for £394.46, a total of £912.35. It also sent him two letters explaining how the compensation had been calculated.

Mr C says the letters say he would be sent two payments, one for £517.89 and one for £912.35, a total of £1,430.24. So he thinks he's been underpaid by £517.89.

Our adjudicator thought NewDay had correctly calculated that it should pay Mr C £912.35 in total and that this was clear from the letters in May 2016. So it didn't need to do anything more. Mr C disagreed so I've been asked to consider the matter.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. We've set out our general approach to complaints about the sale of PPI on our website. I've taken this into account in deciding Mr C's complaint.

From the information I've been provided it's clear that the figure of £517.89 was calculated by Business A and represents the compensation due to Mr C for the period before February 2009. I also think that the figure of £912.35 represents the total compensation due to Mr C for the whole period of his Marbles credit card account. Not the compensation for the period from February 2009 onwards. So the amount for the period from February 2009 onwards is the difference of these two figures – i.e. £394.46.

I think this could've been made clearer in NewDay's breakdown of the £912.35 figure. But the letter does say *"the offer below details the full redress you're due, inclusive of both the redress calculated by [Business A] and us"*. And the breakdown describes the £912.35 figure as *"total redress due"* and says *"This is the amount you will receive as a full and final settlement of your PPI complaint"*. So although it could've been even better, I think NewDay made it clear enough that the total compensation Mr C would receive was £912.35. And that included the £517.89. NewDay has paid Mr C the total of £912.35. So I don't think it needs to pay him any more.

So I think the compensation paid by NewDay is fair and reasonable, and that it did enough to be clear about how it was calculated.

my final decision

My final decision is that NewDay Ltd's settlement of this complaint is fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 October 2017.

Mike Foster
ombudsman