

complaint

Mr G complains that NewDay Ltd (trading as Opus) did not give him the required notice for changes to the interest rate on his credit card account. He says the same is true of the previous provider of the account, which I refer to "B", before it was transferred to Opus. Mr G wants Opus to reduce the interest rate to the original one and refund the difference.

background

Our adjudicator did not recommend Mr G's complaint should be upheld. He acknowledged Opus (and possibly B) had not given Mr G the required notice for decreases in the interest rate – but as these were to his benefit, he had not suffered any financial loss. But Opus (and B) had given him the required notice for increases.

Mr G did not agree with this view so the matter has been referred to an ombudsman for a final decision. He did not think Opus (or B) had complied with the required notice as he had not received letters or statements due to (the normal) delay in the postal service. Mr G said he had been forced to accept the increased interest rates.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusion as the adjudicator. I am sorry to disappoint Mr G.

There is nothing I can add to what the adjudicator has already said. Like the adjudicator, I am satisfied Opus (and B) gave Mr G the required notice for increases in the interest rate. It is inevitable such notices will take time to be delivered – but this does not mean they had not been served, in accordance with the terms and conditions of the account.

Mr G had the opportunity to close his account at the times those increases were applied and to pay the outstanding balance at the (lower) rate applicable at the time. He did not do so. This indicates to me that, while Mr G may not have been happy about the increased rate(s), he did in fact accept them.

I understand Mr G has now closed his account and is repaying the balance to Opus at the interest rate applicable at that time.

As I am satisfied Mr G was given the appropriate notice, I cannot fairly direct Opus (or B) to reduce the interest rate on his account.

my final decision

For the reasons I have given, my final decision is that I do not uphold Mr G's complaint.

Andrew Davies
ombudsman