

complaint

Mr W complains that NewDay Ltd (trading as Aqua) stopped his direct debit, which led to a missed payment. He also complains about the level of service he received from Aqua.

background

Mr W noticed that his direct debit to Aqua didn't go through on 4 May 2015 and this led to a missed payment. He asked Aqua what had happened and raised a complaint on 19 May 2015 and chased it on 5 June 2015. But he didn't receive any explanation until he contacted this service.

Aqua offered to pay £55 compensation and has refunded the late payment fee.

The adjudicator upheld the complaint. Mr W reported his card stolen in April 2015 and because he was sent a new card his existing direct debit was cancelled. The Aqua agent, who issued the replacement card, should have sent an instruction to Mr W's bank and informed him that he needed to contact his bank to tell them the direct debit was under a new card reference number. This didn't happen and it also took Aqua more than 8 weeks to explain this to Mr W. She didn't think £55 compensation was fair and reasonable. She thought it was fair and reasonable for Aqua to pay Mr W £100 compensation and remove any negative reporting on his credit file.

Aqua maintained its position.

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 agree with the adjudicator for the same reasons. Aqua did not follow its usual procedures in Mr W's case as set out by the adjudicator. Because of this, Mr W's payment was missed; he incurred a late payment charge and had to chase Aqua to find out what had happened. I note that the late payment charge has been written off, but I do not think £55 is sufficient compensation. Mr W was put to distress and inconvenience and the level of service fell below what is expected. Aqua did not deal with Mr W's complaint quickly and failed to log his original complaint. I agree with the adjudicator that £100 is fair and reasonable in this case. Aqua should also amend his credit file to remove any adverse findings as a result of this incident.

my final decision

My final decision is that I uphold this complaint and order Newday Ltd to;

- pay £100 compensation for hurt feelings
- ensure any adverse findings as a result of the missed payment are removed from his credit file

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 November 2015.

Clare Hockney
ombudsman