

complaint

Miss B complains that NewDay Ltd's automated telephone system gave a confusing message about the balance in her account.

background

Miss B used NewDay's telephone system to make a payment. The automated system told her that she had funds in her account. On this assurance Miss B booked a holiday for her birthday. She later found out there were restrictions on her account. Miss B says that the recording is misleading. This is particularly as she has had financial difficulty in the past and thought she was overcoming this. Miss B also found out her card had been cancelled but she had not been told about it, and thought she was allowed to use the card.

Miss B complained to NewDay. It said it would credit her account with £20 for the confusion the automated system had caused. This did not however happen as Miss B's account was closed.

Miss B was not happy with this response and brought a complaint to us to consider.

The adjudicator did not recommend that the complaint should be upheld. He noted that the automated service gives the account balance and the available balance. The balance does not take into account pending transactions which may not yet have been processed. The adjudicator considered that we cannot tell a business how to run its day to day operations, or that it should change its systems. The adjudicator was of the opinion that the £20 offered by NewDay was reasonable for any confusion caused.

Miss B is not happy to accept the adjudicator's recommendation. She says that the automated system led her to believe that she had funds available to spend. This was misleading. Miss B says NewDay should change this system.

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 appreciate that it was upsetting for Miss B to think that she had enough money in her account to book a holiday. She later found out this was not the case, and her card has been cancelled. NewDay has explained that the account was not available for Miss B to use it for purchases. It had a block on it and was open for collection activity.

As the adjudicator has explained, we are not the regulator of the financial industry. That is the role of the Financial Conduct Authority. This service does not supervise, regulate or discipline the businesses we cover. We have no authority to require a business to alter its systems. This means I cannot tell NewDay to adopt a different automated system.

NewDay agrees that its message was confusing for Miss B and it has paid her £20 for any trouble and upset this caused. I consider this is reasonable. I do not find that it would be fair for me to require it to pay any extra compensation.

my final decision

My decision is that NewDay Ltd should pay Miss B £20 if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 29 April 2016.

Rosemary Lloyd
ombudsman