

complaint

Miss M complains that NewDay Ltd did not advise her to update her address details when it took over the management of her store card account.

background

Miss M had a store account card. She received a letter in July 2014 from NewDay which told her that it had taken over the running of her account. In late August 2014, Miss M moved house. She updated her details online via her online store account. Miss M did not give this information to NewDay as she presumed the store would share it with it.

Miss M used her store card to make a purchase in November 2014. She says she intended to pay off the balance when her statement arrived. This was in fact sent to her old address, and Miss M did not receive it.

In June 2015, NewDay traced Miss M and sent a letter telling her a default had been registered as she had not paid off her balance. Further late payment and other fees had been added to the sum she owed. Miss M complained and NewDay agreed to take off the fees it had applied. Miss M paid off the outstanding sum.

Miss M is concerned that her credit file has been affected by the late payment. NewDay will not amend the information it has recorded. Miss M brought a complaint to us to consider.

The adjudicator recommended that the complaint should be upheld. He noted that NewDay says it sent an email to holders of the store card in June 2014 to tell them that they had to re-register to access NewDay's computer system. There was however no record that the email had been sent to Miss M.

The adjudicator considered that it was reasonable for Miss M to wait for a statement before she paid off her balance. Further, the Notice of Assignment sent to her told her that she did not have to do anything regarding the running of her account. It was not clear that Miss M had to tell the store and NewDay of her change of address.

NewDay should remove any adverse information entered on Miss M's credit file from January to June 2015, and pay her £50 for trouble and upset.

NewDay does not agree. It says that the terms and conditions told Miss M she had to tell it about any change of address. It said it did not manually note each customer it sent information to. Miss M did not have an online account with it. She could have checked her balance online rather than rely on a paper statement.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where evidence is incomplete, inconsistent or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence and wider circumstances.

I need to decide whether Miss M was at fault in telling the store about her change of address, rather than NewDay, who administered the finance of the account.

Miss M was sent a letter by NewDay on 1 July 2014. This told her that it was taking over the running of her account. The letter attached some terms and conditions. Clause 23.2 told Miss M that she had to tell it if she changed her address.

Miss M was also sent a Notice of Assignment. The covering letter told her that the change would have no impact on the way she used her account. This was not in fact correct. Miss M was required to tell NewDay of any changes to her personal details.

When Miss M moved house in August 2014, she thought she had to tell the store about this. Miss M entered her new details on the online account she held with the store. It appears that this was an account for online shopping. NewDay did not have access to this.

My role is to decide what is fair and reasonable. I need to consider if it was reasonable for Miss M to assume from the documents NewDay sent to her, that telling the store of a change of address was all she had to do. The Notice of Assignment said that *"this change will have no effect on the way you use your account."* I consider that it was reasonable for Miss M to assume from this that updating her account on the store website would be enough to inform NewDay.

It does not appear that NewDay ever contacted the store to ask it if Miss M's address had been changed. NewDay could also have asked the store for her email address to discuss her outstanding balance.

I take on board NewDay's point that a customer should not rely on receiving a paper statement before they pay their balance. I note that Miss M paid off the sum outstanding once she became aware of it. I consider that she would have done the same if she had received a paper statement. I find that she should not be penalised for the fact that the store did not pass information onto NewDay. NewDay could have checked her personal details with the store when it did not receive payment from Miss M. If it had done so, I consider that she would have, on balance, paid off the sum due.

I consider that a fair solution to this complaint is for NewDay to remove any adverse information from Miss M's credit file which it entered from January to June 2015. It should also pay her £50 for trouble and upset.

my final decision

My decision is that NewDay Ltd should remove any adverse information it entered on Miss M's credit file from January to June 2015. It should also pay her £50 for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 9 November 2015.

Rosemary Lloyd
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