

## **complaint**

Miss B has complained about the amount NewDay Ltd say she owes on her credit card.

## **background**

Miss B has a credit card with NewDay. Up to February 2019 she paid the full outstanding balance shown on her statement every month.

At the end of November 2018 there was an outstanding balance on Miss B's card of £39.67. In December 2018 two payments of £39.67 were made to the account. Miss B contacted NewDay and asked it to refund one of the above payments. It agreed to do this but the payment wasn't refunded until February 2019.

A payment of £36.75 was made to the account in February 2019 but no payments were made after that. NewDay added late payment fees and interest to the account and in April 2019 it said the outstanding balance was £53.64.

Miss B complained to NewDay. She said she'd paid the full outstanding balance each month so there shouldn't be anything left owing. NewDay said it would refund a late payment fee of £12 and interest of £1.97. This left a balance of £39.67 which it asked Miss B to pay.

Miss B wasn't happy with NewDay's response and referred her complaint to this service.

## **our initial conclusions**

Our investigator didn't recommend the complaint should be upheld. He thought the outstanding balance was correct. Miss B didn't accept our investigator's recommendation.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

As a result of the double payment made in December 2018, Miss B's account showed a credit of £2.97 at the end of that month even though she'd made a purchase of £36.70 during the month. Because of this no payment was made to the account in January 2019.

Miss B made another purchase of £39.72 in January 2019 and her account then showed an outstanding balance of £36.75. This was paid to the account in February 2019. But the second payment of £39.67 that had been made in December 2018 was also refunded in February 2019. This meant the balance on the account actually increased by £2.92 during February 2019 even though Miss B didn't use the card.

The total amount Miss B spent on her credit card between November 2018 and January 2019 was £116.09. The payments made to the account in December 2018 and February 2019 amounted to £76.42 once the second payment of £39.67 had been refunded. This left an outstanding balance of £39.67.

Given the above, I'm satisfied the balance of £39.67 that NewDay said was outstanding after it had refunded the late payment fees and interest was correct.

**my final decision**

For the reasons I've given my final decision is I don't uphold this complaint. I make no award against NewDay Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 12 December 2019.

Charles Bacon  
**ombudsman**