

The complaint

Mr W is complaining that JAJA FINANCE LTD won't refund a payment he didn't authorise.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my decision.

What I've decided – and why

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

- Following our service's involvement, JAJA agreed to refund a £774 unauthorised payment from Mr W's credit card on 26 May 2021. It's also agreed to rework his account so that any interest and fees that were caused by the payment are refunded. So I'm satisfied that Mr W hasn't lost out financially from what happened.
- I've considered whether JAJA need to do more to put right any other sort of loss Mr W may have suffered.
- JAJA paid him £150 compensation because they incorrectly told him in August 2021 that the transaction was refunded.
- I realise they offered that for a particular mistake, but I've looked at everything in the round and considered whether any further compensation should be paid for Mr W's distress and inconvenience.
- JAJA weren't responsible for the scam, but they should've refunded this sooner. And that was compounded when they misled Mr W about the refund, although that was corrected quickly. I recognise the stress this caused Mr W, at a difficult time for his health. But I've also considered that Mr W didn't need to continue writing to JAJA when the complaint came to our service. And I've reflected on the offer of compensation in proportion to the money at stake here.
- Taking this all into account, I'm satisfied £150 is a fair offer of compensation, and I make no further award.
- Mr W has also asked for a written apology from JAJA. While I can see why he's asked for that, I haven't directed JAJA to do that as part of my decision. Overall, I'm satisfied their offer fairly puts right his losses, and I'm not convinced how helpful it would be to Mr W when it would've only come about from my direction.

My final decision

For the reasons I've explained, I uphold Mr W's complaint.

If they've not done so already, JAJA FINANCE LTD must refund the unauthorised transaction (£774) and rework Mr W's account to refund any interest and fees caused by the transaction. I understand JAJA has already paid Mr W £150, which I consider fair compensation for his distress and inconvenience. I make no further award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 March 2022.

Emma Szkolar
Ombudsman