

The complaint

Mr B makes a number of complaints about JAJA FINANCE LTD.

What happened

Mr B makes a number of complaints about JAJA following a migration of his account to it from a different business. He says he had problems accessing his account and using the application (app) and so couldn't review his balance or pay it off. Mr B says there were fraudulent transactions on his account which he couldn't review or dispute due to the access issue and questions if the contract is enforceable as he didn't receive any documents about the migration. He says he didn't receive promised call backs and has been caused stress as a result of what took place.

Mr B would like the contract cancelled and interest as well as charges refunded. He would like all the information about this account removed from his credit file and compensation for what took place and for the delay in providing him with the information from his Data Subject Access Request (DSAR).

JAJA accepts there is a problem with Mr B using the app but says Mr B had access to account statements and could have made a payment by other means if he wished. It says migration documents were sent to Mr B in 2020 and says it refunded the fraudulent transactions. It also says it did call Mr B but accepts there were delays in responding to the DSAR request and accepts there were access problems. JAJA has paid £50 compensation and has offered a further £150.

Mr B brought his complaint to us and our investigator thought JAJA had offered Mr B a reasonable alternative method of paying his account balance. And that JAJA had refunded the disputed transactions. The investigator accepted there were issues but thought the compensation offer appropriate. The investigator recommended JAJA make contact with Mr B to try and sort out the account access problem and send him paper account statements.

Mr B doesn't accept that view and in summary says the phone network is not secure and so will not make a payment by that method. He says he has paid off the balance but would like the interest of just over £8 refunded. Mr B says he was mis-sold the product and says any information recorded on his credit file by JAJA is adverse and has affected his credit score. He says he still hasn't received the DSAR request information and says the compensation offer isn't sufficient for what took place.

My Provisional Decision

I issued a provisional decision on this complaint and said that JAJA had made a fair and reasonable offer to settle this complaint. I made clear that I largely agree with the investigator's view but thought there were issues that were still not clear and so a provisional decision would give both parties an opportunity to clarify some of those issues. I also said I took a different view to that of the investigator in respect of the need for JAJA to contact Mr

B about account access and intended to propose a different method of dealing with that issue.

I appreciated Mr B questions the validity of the contract between him and JAJA. I was satisfied that having looked at the account terms and conditions that an assignment of the contract was entitled to be made. But make clear to Mr B that it would be for a court to decide upon such matters. I was satisfied that JAJA was entitled to charge interest as it had done here where a full balance wasn't paid off by a certain date.

I appreciated Mr B would have liked to have used his app to access and manage his JAJA account. But equally I said I can't order JAJA to make that app available to Mr B when it's clear that it can't do so at present. I was satisfied that there were and are other methods for Mr B to access his account and was satisfied it was his choice not to make payments by a variety of different methods. I appreciated that Mr B questions if those other methods were secure, but I didn't think those concerns were reasonable and was satisfied that there were alternative safe methods of paying what I thought was a relatively small account balance.

I said I was also satisfied that Mr B knew that there was an outstanding balance that he could have repaid. I found that JAJA was entitled to charge interest and was required to report the account balance on Mr B's credit file. I didn't think that JAJA should refund that interest correctly charged or remove any information which I thought was accurate from Mr B's credit file.

JAJA accepts that it didn't deal with the DSAR request appropriately and that Mr B couldn't use its app. I accepted Mr B was caused distress and inconvenience and would have spent some time trying to resolve both matters. I didn't think Mr B suffered any financial loss and I didn't think the impact was particularly significant. I was satisfied that JAJA had fairly apologised for what took place and offered what I thought was a fair and reasonable compensation offer in total of £200. I appreciated the investigator suggested that JAJA should pay a further £200 but I thought it had already paid the £50 it initially offered and said no doubt it can confirm that before my final decision.

I thought it clear that what Mr B would like to happen is for this account to be closed. I said I can't see any real benefit in Mr B and JAJA discussing matters further as the investigator suggests. But I also said I can't see any reason why JAJA can't simply send Mr B all of the account statements and provide the information it says it uploaded to an online portal when it clear there is an access problem.

I didn't think it clear if Mr B has now repaid the account balance in full and I hoped both sides would confirm the up to date position. I made clear that if there was still an outstanding balance then I intended to order that the compensation be used to repay the balance and allow the account to be closed.

I appreciated Mr B says that the fraudulent transactions have not been refunded. I have looked carefully at JAJA's records and I was satisfied they had been. I said if Mr B has further information about them then no doubt, he could provide it. I also appreciated Mr B says other customers were affected by the app issue, but I made clear to Mr B that is not something I can fairly consider and could only consider his complaint. I was satisfied that JAJA did send Mr B a final response letter and did try and call him having looked at its records. I said I can't fairly hold JAJA responsible for Mr B not receiving that letter as it's not responsible for the safe delivery of the mail.

Mr B has not responded to my provisional decision.

JAJA has responded to some of the questions I raised. It says there is no account balance

and that Mr B has been given access to account statements. JAJA hasn't confirmed the compensation position.

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.

Having done so I have reached the same decision that I came to in my provisional decision and for the same reasons.

Putting things right

I intend to order JAJA to pay a total of £200 compensation and no doubt it can check if the £50 has already been paid which can be deducted from that award.

My final decision

My final decision is that I uphold this complaint in part and order JAJA FINANCE LTD to pay Mr B a total of £200 compensation. Mr B's acceptance of this decision would be in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 30 August 2022.

David Singh
Ombudsman