

The complaint

Mr G is unhappy with the service he received from J.P. Morgan Europe Limited, trading as Chase, surrounding a payment that was flagged by Chase for further checks.

What happened

Mr G sold an item for £45 online and received the payment into his account from the third-party who purchased the item. This £45 incoming payment was flagged by Chase who contacted Mr G and asked him to provide some further information about the payment and about the person sending the payment.

As a result of Chase's questioning, Mr G became concerned that he might be in the process of being scammed and he asked Chase whether the incoming payment was suspected by them as being fraudulent. Chase couldn't confirm to Mr G whether the incoming payment was safe for him to receive. Mr G wasn't happy about this, so he raised a complaint.

Chase responded to Mr G and noted that they hadn't received all the information about the person sending the payment that they'd requested, and that therefore they had cancelled the transaction. Chase also explained that they didn't feel that they'd acted unreasonably by doing so and didn't uphold Mr G's complaint. Mr G wasn't satisfied with Chase's response, especially as they hadn't addressed his complaint point about not being told whether the incoming payment was a scam or not. So, he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Chase had acted unfairly in how they'd managed this situation and so didn't uphold the complaint. Mr G remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

Mr G is unhappy that Chase haven't confirmed to him whether the payment in question was fraudulent or not. However, it's clear from the transcript of the online chat between Mr G and Chase that Mr G didn't supply Chase with the information needed by them to conduct a full investigation into the payment.

I say this because when Chase first contacted Mr G, they explained that they needed information about the sender, including their name, address, and date of birth. Mr G then responded to Chase and provided the information he had about the sender and asked Chase whether the payment was fraudulent or was suspected of being fraudulent. But the information that Mr G sent to Chase didn't include the sender's date of birth – which was information that Chase had specifically requested.

Chase then responded to Mr G and noted that he hadn't provided them with the sender's date of birth. And Chase also explained that they were unable to confirm whether the payment was safe at that time, but that if the sender's date of birth wasn't provided to them

that the payment might be cancelled by Chase.

Chase's response to Mr G, as I've described it above, seems very reasonable to me. This is because I wouldn't expect Chase to be able to confirm the results of an investigation that they hadn't been able to complete because Mr G hadn't provided the relevant information to them, as per their request, to enable them to do so. And I also feel that the fact that the payment was suspected as being fraudulent was tacit in the fact that Chase had contacted Mr G about the payment and was requesting information about it from him.

However, in response to Chase's answer as per the above, Mr G raised a complaint with Chase, citing Chase's 'failure to assist me in identifying whether or not I was potentially subject to fraud'. This doesn't seem reasonable to me, for the reasons given above, specifically that Mr G had failed to provide Chase with all the information they'd specifically requested from him to conduct their checks on the payment.

It follows from this that I won't be upholding this complaint. This is because I don't feel that Chase acted unreasonably or unfairly by flagging the payment for further checks in the first instance, or in how they contacted Mr G and requested information about the payment from him. And it's also because, as stated above, I don't feel that it was unfair or unreasonable for Chase to be unable to confirm to Mr G that the payment was or wasn't fraudulent in the absence of receiving all the information about the payment that they'd requested from Mr G.

Finally, I also wouldn't expect Chase to give any explanation to Mr G about why they felt the payment might potentially be suspicious, given the obvious commercial sensitivity of that information. This includes that if Chase did allow information about what types of payments triggered further checks by them to enter the public domain, that this would present a clear risk that that information could be used by members of the public to circumnavigate Chase's payment security processes.

Mr G has also complained about how Chase handled the complaint that he raised. But the rules by this service must abide – which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – include that this service can only consider points of complaint about specified financial matters. And how a business handles a complaint is not one of the specified financial matters that this service is permitted to consider. In short, this service cannot consider a complaint about how a business has handled a complaint.

I note that Chase have offered to pay £100 compensation to Mr G for how they handled his complaint. However, as per the above, this matter sits outside of the remit and authority of this service, and so it's for Chase to decide if the offer that they've made to Mr G in this regard is still available to him. And it's for Mr G to contact Chase directly should he wish to discuss that offer with them.

I realise this won't be the outcome Mr G was wanting, but I trust that he'll understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 1 November 2024.

Paul Cooper

Ombudsman