

The complaint

Mr R has complained that J. P. Morgan Europe Limited (trading as “Chase”) failed to notify him when unusual activity was detected on his account.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mr R explains that on 25 September 2024 he received a notification from Chase alerting him to a £20.72 transaction that he didn’t recognise. He says was at work at the time and unable to report the unrecognised transaction but he contacted Chase via its in-app messaging facility later that day.

Mr R says that a few minutes later he received a phone call from someone he believed to be a representative of Chase. The caller appeared to have access to a significant amount of personal information about Mr R and told him that further fraudulent transactions were being attempted. As part of what he believed to be a security process, Mr R was persuaded to transfer all of the funds from his Chase savings account to his current account. Following this there were additional attempted fraudulent transactions – although these didn’t debit Mr R’s account.

The scam eventually extended to Mr R’s accounts with several other financial institutions, and he’s explained that although it fortunately didn’t materialise, and he narrowly avoided losing thousands of pounds. Mr R says that at no point during this process did Chase contact him to raise concerns about the unusual activity on his account, so he believes Chase failed to take reasonable steps to detect or prevent the scam while it was in progress.

Mr R is particularly concerned that Chase’s fraud detection systems didn’t flag the combination of multiple fraudulent attempts and the sudden transfer of funds between his accounts as potentially indicative of a scam. Mr R believes that had Chase intervened or sent an urgent message to verify his activity, it may have helped him realise he wasn’t speaking to Chase and prevented the scam from escalating. He feels that Chase’s response to his complaint has focused too narrowly on the initial fraudulent transactions, rather than addressing the wider issue of the scam and the bank’s failure to intervene effectively.

The transactions relevant to Mr R’s complaint are as follows:

Date	Amount	Description
25 September 2024	£20.72	Authorised, refunded
25 September 2024	£4,126	Declined
25 September 2024	£2,528	Declined
25 September 2024	£899	Declined
25 September 2024	£20	Declined
25 September 2024	£2,832.93	Declined
25 September 2024	£901.60	Declined

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Mr R made a complaint to Chase on the basis that it didn't respond to his message quickly enough when he reported the suspicious transaction. Chase didn't uphold the complaint and in its response it said it responded to Mr R's message on the same day asking him for some further information. Chase explained that Mr R called it later that day to provide the requested information and he was refunded for the first transaction on the same day. Chase also noted that that customers receiving fraudulent calls purporting to be from Chase are outside of its control.

Mr R remained unhappy so he referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained that the action Chase took was proportionate to the risk the transactions presented.

In response to the investigator's opinion Mr R highlighted that although Chase had blocked the fraudulent transactions that followed the first one which he reported, he was concerned that might not have happened if he hadn't taken the action he did. He also said Chase should've done more once it knew his account was under attack, for example because he'd moved his savings to his current account, which was a sign that a scam was taking place.

As Mr R didn't accept the investigator's opinion, the case has been passed to me to make a 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.

I'm sorry to disappoint Mr R but having considered everything I'm afraid I'm not upholding his complaint, and I've set the reasons below.

Should Chase have recognised that Mr R was at risk of financial harm?

The only transaction that debited Mr R's account was for £20.72 to a food delivery company. Whilst I can't see that this flagged to Chase as unusual or suspicious, I don't think that was unreasonable.

The transaction was for a low value, and there's nothing else about it that ought to have alerted Chase to the fact it was suspicious. And even if Mr R hadn't made a payment to the merchant before, I don't think that's sufficient for Chase to conclude that the transaction was likely fraudulent.

All of the further transactions were declined – which Chase says was due to Mr R's debit card having been blocked, or "frozen".

What did Chase do to protect Mr R?

Although I've carefully considered Mr R's point that Chase didn't proactively contact him, despite the unusual transactions, contacting a customer to verify the legitimacy of a payment isn't the only measure a bank can take to prevent harm to its customers.

Chase says it's likely its agent froze Mr R's debit card when he contacted it via the in-app chat to report the unrecognised transaction he believed to be linked to the scam. Although Chase's records don't specify at which point this was done, the fact the following card transactions all declined, and the frozen debit card was then replaced around the same time Mr R contacted Chase later that evening, leads me to believe that's the sequence of events that took place.

As I've set out above, with the exception of the first payment, Chase declined all of the scam-related transactions. So whilst it didn't contact Mr R to verify the payments, I'm satisfied this ultimately led to the same outcome. If Chase had contacted Mr R to question the validity of the payments, Mr R would've confirmed the transactions weren't genuine, and they'd also have been declined.

I do understand Mr R's point that Chase should've contacted him proactively about what was going on, and I can see why he feels that would've been useful. But the fact Chase didn't do that hasn't changed the outcome here. Whilst the further transactions may've debited Mr R's account if his debit card hadn't been frozen, I can't consider a complaint about something that might have happened. And in this case, Mr R losing further money to fraud if he hadn't contacted Chase, whilst possible, is purely speculative. And that's not something I can tell Chase to put right because Mr R hasn't lost out as a result.

I'm also satisfied that when Mr R contacted Chase by phone it took a reasonable course of action. Chase firstly gave Mr R information on how to cancel his debit card and generate a new one – meaning the fraudsters could no longer use the card details they'd obtained in the first part of the scam. And having reviewed Mr R's account activity, this appears to have been successful, as I haven't seen any further attempted or successful transactions taking place. Chase also refunded the transaction of £20.72 that debited Mr R's account – meaning he was no longer out-of-pocket as a result of the scam.

Whilst I understand Mr R is concerned that Chase didn't proactively contact him following the initial scam call, and the transactions that followed, I haven't concluded that Mr R has lost out as a result of that. And I'm satisfied that the action Chase took to secure Mr R's account was reasonable, so I don't require Chase to do anything to put things right.

My final decision

I don't uphold Mr R's complaint against J. P. Morgan Europe Limited, trading as Chase.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 6 May 2025.

Sam Wade
Ombudsman