

The complaint

Ms L complains that J.P. Morgan Europe Limited trading as Chase (“Chase”) delayed a payment by performing checks on it.

What happened

In August 2024, Ms L wanted to make a transfer between two accounts she held with Chase, but the payment wasn’t made. She spoke to a member of staff at Chase and explained the circumstances behind the payment and believed that the payment would be made without further delay.

A few days later, Ms L called Chase again and was able to get the payment released. She asked to raise a complaint about this situation, but the call was terminated by the member of staff she was speaking to. Ms L contacted Chase again and was told that the person she spoke to hadn’t terminated the call and there had been no confirmation received from Ms L about the nature of the payment.

Ms L says that because she wasn’t able to make this payment, she incurred a subsequent loss of £50,000. She complained to Chase, which said that it had given her the wrong information in the second call and agreed that the member of staff had terminated the call when she asked to make a complaint. For these issues, Chase agreed to pay Ms £40 but it didn’t feel it had acted wrongly in performing further checks on the payment, so it didn’t pay Ms L the £50,000 she wanted.

Ms L referred his complaint to this service where one of our investigators looked into it for her. They said that Chase was entitled to have processes and procedures to flag payments for additional checks to protect customers from fraud. They also said that the terms and conditions of Ms L’s account explain that Chase may not make a payment if it need more information to be able to do so. Given this, they felt that Chase had acted fairly in making additional checks on the payment here.

In relation to the service Chase provided, the investigator noted that during the first call about the payment – Chase hadn’t actually completed asking its security questions. They added that they had seen that Chase had contacted Ms L twice following this. In the circumstances the investigator felt that Chase had acted fairly.

They did agree that a member of staff wasn’t helpful when Ms L asked to raise a complaint and that he was provided with contradictory information about they when he raised the issue again. For this the investigator felt that the £40 Chase had paid was fair but didn’t think it needed to take any further actions.

Ms L disagreed saying that she was in another country at the time this happened and had no access to her emails. She reiterated that this issue caused her a loss of £50,000 and that given the significant impact on her well being and finances, £40 isn’t enough compensation. So the complaint was passed to an ombudsman to decide.

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.

The starting point here is to consider whether Chase acted fairly and reasonably in how it dealt with this payment. The terms and conditions of Ms L's account with Chase explain that it may contact a customer to ask them to confirm a payment before it's made. These terms also say that Chase won't make a payment if it hasn't been given all the information it needs, or that it has asked for about a payment.

So, in line with these terms Chase was entitled to have contacted Ms L before making the payment in question and was equally entitled to not make this until it had all the information it needed about it. I realise this will have been inconvenient for Ms L and that she wanted and needed this payment to be made quickly, but that isn't enough for me to say that Chase acted unfairly here. Measures like this are in place to mitigate the risk of fraud and scams for customers and so I think Chase was acting in Ms L's best interests by asking her for more information about the payment – even if she may see it differently.

I've gone on to consider whether Chase acted fairly and reasonably in how it then dealt with this situation. Ms L says she gave the information it needed during a call on 27 August 2024. Having listened to that call, the member of staff from Chase asked a series of questions before Ms L says that she is in the middle of something. Ms L then appears to abandon the call – as the member of staff checked after around 2 minutes of Ms L not speaking to see if she was there and then provided Ms L with callback details. Having listened to this, I think it's clear that the call ended prematurely.

So as of 27 August, Chase didn't have enough information for it to make the payment. Again, that's in line with what the terms say and I think it would have been reasonably clear to Ms L too. I've seen that Chase then tried to contact Ms L following this call - once using its chat app after the call on 27 August 2024. Chase then tried calling again on 29 August 2024 but received no answer, so sent a further message on its chat app.

Eventually, Ms L did speak with Chase on 1 September 2024 and it was during a call that day that she was able to make the payment. I realise this was a few days after Ms L's original instruction to make the payment, but I'm satisfied that this was because Chase had legitimate reasons to ask her for more information about it. I'm satisfied Chase did what it could to try and contact Ms L between then to see if it could help her complete this payment sooner, but those messages went unanswered and so there was little else Chase could do.

So overall here, I'm satisfied that Chase acted fairly and reasonably in dealing with this payment as it did. To make sure we'd addressed all the circumstances here, we asked Ms L to provide some information to support what the payment was for and why she made such a large loss. The limited information she responded with doesn't clearly and persuasively show me that Chase's actions here led to such a loss, but, where I'm satisfied that it acted fairly in respect of the payment – I don't think it'd be reasonable to hold it liable for such a loss in any event.

Where I think Chase could have done more is in the service it provided Ms L. On one of the calls on 1 September 2024, the member of staff she spoke to could have been more helpful and it was clear that at the point that Ms L asked to raise a complaint that the call appears to have been abandoned, rather than the member of staff correctly advising and responding to her. It's also notable that Chase later told Ms L that the member of staff hadn't ended the previous call, when they clearly had. That would have been upsetting and frustrating too.

For this Chase paid Ms L £40 for the impact this had on her. I think that's fair in the circumstances. I note all that Ms L has told us about the impact this had on her, but much of the impact here seems to have been from how Chase handled the payment – which I've found it did correctly and fairly. So to recognise the service issues here, I think the £40 it paid is fair. It follows that I won't be asking Chase to do any more.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 24 April 2025.

James Staples
Ombudsman