

## **The complaint**

Miss M complains about how J.P. Morgan Europe Limited trading as Chase dealt with a Direct Debit Guarantee claim.

## **What happened**

Miss M says she asked Chase to refund a number of payments she made to a business I will call "A" from about September 2024 to March 2025 under the Direct Debit Guarantee (DDG). She says Chase initially tried to raise a dispute under the card provider scheme then asked her for more information about the DDG claim. Miss M says she ought to have been refunded the money immediately and then the issue with A resolved. She says the £25 compensation is not enough for the distress and inconvenience she was caused. Miss M says Chase had no right to ask for evidence of the issue with A.

Chase accepts it initially gave misleading information about how it intended to deal with the complaint and has paid £25 compensation for that. It says it was entitled to ask for evidence about what took place.

Miss M brought her complaint to us and our investigator thought the compensation appropriate for that part of the complaint. The investigator didn't uphold the main complaint point and in summary thought Chase was entitled to ask Miss M for further evidence, but she didn't provide it.

Miss M doesn't accept that view and she says she changed address, but A didn't adjust her monthly premium.

## **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 come to the overall conclusion that I don't require Chase to do anything further in the circumstances of this complaint.

There is no doubt here that Chase made a mistake by telling Miss M it would deal with her complaint as a dispute under the card provider dispute rules when it was clear that she wanted it to raise a DDG claim. I have no doubt that caused Miss M frustration and may have caused a very short delay in what took place. But I don't think that mistake had a significant impact or justifies further compensation as it would not have affected the outcome regardless of how Chase dealt with Miss M's complaint.

The DDG is designed to deal with Direct Debit mistakes such as an incorrect amount being taken or a Direct Debit being taken twice for example. The DDG also says that an immediate refund is payable, but it does not deal with contractual disputes. We would normally consider it reasonable for a business to ask a customer for further information in circumstances where for example payments had been made over a number of months. And of course, there are implications for consumers if an immediate refund is made for a number of months' worth of

payments that subsequently become repayable by that consumer.

I have looked carefully at the information provided by both sides including the transcripts of discussions and what Miss M has told us as well as Chase about the cause of the issue. I can see Miss M says she thinks her direct debit to A should have been adjusted by A to take account of the new address. But I have not seen any evidence that A agreed to amend the direct debit or had accepted it made a mistake. Those are the same questions Chase would have wanted answering before simply refunding six months of Direct Debit payments. I am satisfied it was entirely reasonable for Chase to ask for further information here rather than refund the money immediately. I say that as Chase had to be satisfied even at that stage that this was not a contractual dispute but a genuine mistake.

I am also satisfied that Miss M didn't provide any evidence that suggested A had made a mistake in taking for example an incorrect amount or that it agreed the direct debit ought to have been amended. And I think that this complaint is more likely to be a contractual dispute between A and Miss M which of course is not covered by the DDG.

In summary I find Chase was reasonably entitled here, when about six months of Direct Debit payments had been made, to ask Miss M for further information before considering refunding them. I don't think in these circumstances Chase was obliged to immediately refund the Direct Debit payments. It follows that I can't fairly direct it to pay Miss M compensation or refund the payments.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 9 December 2025.

David Singh  
**Ombudsman**