

The complaint

Mr B has complained that Jaja Finance Ltd, trading as Asda Money Select (Asda), were irresponsible when opening a credit card account.

What happened

Asda provided Mr B with a credit card in October 2024 with a limit of £1,200.

Mr B says this was irresponsible. He says the checks carried out were incorrect and a more thorough check would have revealed that the required repayments were unaffordable.

Asda reviewed Mr B's complaint and upheld it; their investigation found that they shouldn't have provided the credit card. To put things right, they refunded all interest and late payment fees that had been applied to the account.

Mr B remained unhappy. He felt that because Asda shouldn't have provided the credit, they should also write-off the remaining balance, which was nearly £1,200.

An investigator then reviewed the merits of Mr B's complaint, but felt that Asda's actions to put things right, were in line with what our service would recommend.

Mr B disagreed and asked for 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.

Having done so, I'm not upholding this complaint. I know this will disappoint Mr B, so I'll explain why.

The details of this complaint are well-known to both parties, and because the irresponsible lending decision isn't in dispute, I will focus only on Asda's actions to put things right.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Mr B's case.

As noted above, Asda have refunded all interest charged and late payment fees that had been applied to the account. This is in line with the approach our service takes in these circumstances.

Despite the fact that Asda shouldn't have provided this credit, Mr B has had use of it, so I think it is fair for this to be repaid.

Whilst I'm not upholding this complaint, I'd like to remind Asda of their obligation to continue to exercise forbearance moving forward as Mr B is experiencing financial difficulty. I understand discussions have taken place with regards to the outstanding balance and I would encourage Mr B to keep in regular contact with Asda about the difficulties he's facing.

I would also like to remind Asda, that once Mr B has repaid the outstanding balance, they should remove any adverse information in relation to this account, from his credit file.

Mr B has been very open with our service about his current situation and financial difficulties, so I'd like to thank him for that and I wish him all the best for the future.

In reaching my conclusions, I've also considered whether the lending relationship between Mr B and Asda might have been unfair to Mr B under Section 140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that the actions Asda have now taken, result in fair compensation for Mr B in the circumstances of this complaint. I'm therefore satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My final decision

For the reasons set out above, I don't uphold this complaint against Jaja Finance Ltd, trading as Asda Money Select.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 March 2026.

David Barker
Ombudsman