

## **The complaint**

Mr K complained because Vanquis Bank Limited didn't agree that someone had fraudulently opened an account in his name.

## **What happened**

On 11 July 2021, a Vanquis credit card was opened using Mr K's details. The card was used later in July for two transactions, one in person and one online, totalling £244.77.

On 7 August, Mr K used the Vanquis app to report his card stolen, and to dispute the two July transactions.

At 3:11 am on 11 August, the registered mobile number was changed on Mr K's account, by one digit. Whoever did this used the registered device, and device fingerprint, to access the app in order to make the change.

The same day, at 18:23, Mr K rang Vanquis to dispute the two transactions. He said he'd lost his card, and had never used it, because he'd only got the card to build up his credit score, so he'd put it in a cupboard. The adviser asked if he'd applied for the card and Mr K said he wasn't quite sure as he'd applied for a few cards. Mr K said he had the app, but the phone number on it wasn't right. It was one digit different. The adviser asked if Mr K had updated the phone number, and he said he hadn't. The adviser checked with Mr K that he'd applied for the card, and had downloaded the app, which he agreed he had done.

On 16 August, Mr K rang Vanquis again, and said that someone had opened the account in his name. He said he believed this because when he'd phoned before, the phone number had been different. Vanquis said it would block the account and would refer the matter to its fraud team.

Vanquis investigated. In its final response letter on 30 September, it said that it held Mr K liable for the account and transactions because:

- the account had been accessed through the Vanquis mobile app from the registered device on several occasions. It said that registering a device on the app required the user to know the mobile number registered on the account, and the account holder's date of birth. A verification code would then have been sent to the trusted mobile number or email address, which would have had to be entered into the app for confirm registration of the device;
- the registered mobile number had been used to activate the card;
- at 3:11 am on 11 August, the registered device identification, and the registered device fingerprint, had been used to access the app – to change the last digit of the mobile number. This was before Mr K rang Vanquis at 18:23 the same day;
- the in-person disputed transaction had been carried out with the genuine card and correct PIN.

Mr K wasn't satisfied and complained to this service. He'd said that no-one had access to his phone; he didn't have the app; and he only found out about the account when he received a letter about the outstanding balance.

Our investigator didn't uphold Mr K's complaint. She said that she didn't find his testimony to be credible. Among other things, she pointed out that there had been a call from Mr K's mobile on 11 August saying his card had been stolen, but on 16 August he reported that he hadn't taken opened the account at all.

Mr K didn't accept this. He raised a number of points about another card organisation, which wasn't linked to Vanquis. He also said that it wasn't correct that the phone number had been changed on 11 August before he rang Vanquis. He also said that he had a different name, date of birth and phone number from those used to apply for the Vanquis card.

The investigator explained to Mr K that his account with another financial organisation wasn't relevant to his Vanquis complaint. And the Vanquis application form showed that Mr K's name, address and date of birth hadn't ever been changed and were the same as the ones he'd quoted to us. Only the phone number had been changed, before Mr K rang Vanquis on 11 August.

Mr K didn't agree. He said the other financial organisation and Vanquis were part of the same company. And he said he'd phoned Vanquis when he'd received the letter about the balance on the account. He asked for an ombudsman's 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.

#### *What's relevant to the outcome*

The information I've seen and listened to includes phone call recordings of Mr K's calls with Vanquis, especially on 11 and 16 August 2021, and the technical computer evidence which shows exactly what happened on Mr K's account.

What isn't relevant, however, is the messages which Mr K has recently sent to us about the other financial organisation. That other financial organisation isn't in the same financial group as Vanquis, as Mr K believes. If he has any complaint about that organisation, he'd need to raise that separately with the other organisation. But that doesn't affect the outcome of his complaint about Vanquis.

#### *What I consider is most likely to have happened*

The computer evidence shows that the account was set up with the same name, address, and date of birth that Mr K provided to this service when he contacted us. So I don't agree with Mr K that the Vanquis account was set up by someone else who didn't use Mr K's correct details. I think it's most likely he opened it himself, as I'll explain.

The evidence shows that the phone number originally registered on the account was the number which Mr K also provided to Vanquis during the dispute. It was changed at 3:11am on 11 August. Whoever did that used Mr K's registered device and device fingerprint to access the Vanquis mobile app. Mr K hasn't suggested any way in which a third party might have obtained access to these.

Mr K's evidence to Vanquis was inconsistent. I've listened to the calls, and in the call on 11 August, he said he'd opened the account himself. In the call on 16 August, he said he hadn't. The reason he gave to back up not having opened the account himself was that the phone number was one digit out. But as I've explained above, this was changed shortly before Mr K rang Vanquis, and it used Mr K's registered device, device fingerprint, and Vanquis mobile app. So I don't agree that the phone number proves that Mr K didn't open the account.

Turning to the disputed transactions, the online transaction was carried out through the app. This had been registered using Mr K's phone number and date of birth, with a verification code which had to be entered into the app to confirm registration. And the in-person transaction was carried out with the genuine card, as shown by the chip. The chip in a card can't be copied, so it's clear this was the genuine card. And the correct PIN number was entered. There are 10,000 possible combinations of a four-digit PIN, so it's not likely that any third party could have guessed Mr K's PIN, even if they'd somehow obtained Mr K's genuine card which he said he kept in a cupboard.

Taking all these factors into account, I consider it's most likely that Mr K opened the account himself, as he himself said on the earlier calls to Vanquis, and that he carried out the disputed transactions too. So I don't require Vanquis to refund him.

### **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 K to accept or reject my decision before 2 September 2022.

Belinda Knight  
**Ombudsman**