

The complaint

Miss M has complained PayrNet Limited, trading as Pockit, won't refund two payments she didn't make.

What happened

In October 2022 Miss M contacted Pockit as she'd noticed two transactions for £850 and £830 had debited from her card. She never got a complete response so brought her complaint to the ombudsman service.

Miss M provided copies of her correspondence with Pockit despite never receiving a final response which related to this issue.

Our investigator asked Pockit (through PayrNet) to provide us with relevant evidence of the disputed transactions. She received nothing. She felt, in the absence of any evidence as required by the Payment Services Regulations, that Pockit should refund £1,680 to Miss M, along with 8% simple interest and £150 for the lack of customer service which had added to Miss M's distress.

Miss M accepted this outcome. PayrNet provided evidence they'd now received from Pockit. Our investigator noted this evidence didn't relate to the complaint Miss M had made.

Miss M's complaint has been referred to an ombudsman for 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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Miss M's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and electronic money institutions, like PayrNet, to refund customers if they didn't make or authorise payments themselves. Other factors do apply but nothing else specific in Miss M's case.

The PSRs also require financial institutions to provide evidence that they relied upon in rejecting any claim about disputed transactions. Like our investigator, I've reviewed the evidence PayrNet has provided. I'm able to confirm nothing provided to our service was relevant to the complaint Miss M has made.

So to help me decide what happened, I've looked at the evidence of the transactions themselves. Specifically:

- I can see Miss M notified Pockit that she didn't recognise these transactions as soon as she noticed these.
- She also confirmed in one of her emails to Pockit that she no longer had her card in her possession.
- These high-value debits didn't match any other transactions I've reviewed on Miss M's statements.
- The debits were made just after Miss M received a large payment from the Department for Work and Pensions which enabled two large debits to be made.

Overall I believe it's more than likely Miss M didn't authorise these transactions.

Putting things right

As I don't believe Miss M authorised these two transactions, I will be instructing PayrNet to refund these two amounts in full. This was a considerable amount of money for someone so young to be without so it's only right that 8% simple interest is added to the amount to be repaid.

I can also see that Pockit disputed ever hearing from Miss M despite evidence to the contrary. I think it's fair they also pay her £150 for the additional distress their lack of customer service caused.

My final decision

For the reasons given, my final decision is to instruct PayrNet Limited to:

- Refund £1,680 to Miss M;
- Add 8% simple interest to that amount from 24 October 2022 to the settlement date; and
- Pay Miss M £150 for the distress caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 21 August 2023.

Sandra Quinn
Ombudsman