

The complaint

Miss Z complains Lloyds Bank PLC (“Lloyds”) refuses to refund her for transactions on her account she says she didn’t make.

What happened

Miss Z says there are many transactions on her account she doesn’t recognise from July 2022 till June 2023. Miss Z says she doesn’t have accounts with the merchants in question and she hasn’t made these purchases.

Lloyds says it thinks Miss Z made these transactions herself or has authorised someone to make these transactions on her behalf. Lloyds says the evidence provided demonstrates that some of these transactions were authorised using Miss Z’s usual phone through her Lloyds mobile banking app. Lloyds also says that it has seen some of the payments done from the same IP address as other genuine transactions.

Our investigator considered this complaint and decided not to uphold the complaint. Miss Z disagreed so the complaint has been passed to me for a 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.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

A consumer should only be responsible for transactions made from their account that they’ve authorised. Miss Z has said she didn’t give any permission for the transactions in dispute to be made but Lloyds believes she did. My role then is to give a view on whether I think Miss Z more likely than not authorised the transactions, based on the evidence I have available.

Lloyds has provided evidence of the transactions in dispute showing that these were made online, using Miss Z’s card details. It has also provided evidence that some of the transactions required additional verification via Miss Z’s regular phone and process of this verification method. This shows Miss Z would’ve received a notification on her phone which would’ve directed her to her Lloyds banking app to approve or reject the transaction. These transactions were only successful because Miss Z followed the authentication process on her regular phone. Miss Z has told us that other people have had access to her phone, but she doesn’t think they would’ve been able to make such payments. Also, the app would’ve required Miss Z’s fingerprint, face ID or passcode to gain access. And I’ve not seen any evidence of how someone would’ve done that without Miss Z’s permission. So, the most likely explanation then is that she made these payments herself.

Lloyds has provided additional information to show that several of the disputed transactions were made from the same IP address as other genuine payments. The IP address relates to

the device used and the location of the device connected to the internet. So, this means the disputed transactions were made from the same device, in the same location as other undisputed transactions. This further leads me to believe that Miss Z was responsible for the transactions in question.

The transactions in dispute took place over the span of nearly a year on an account that is in use regularly by Miss Z. The first disputed transaction took place in July 2022, but Miss Z didn't report any unrecognised transactions till June 2023. Lloyds says Miss Z checked her account online regularly, but the evidence supplied by it only shows her app log in information for May 2023. But as this account was used regularly, I think it's likely that she would've checked it between July 2022 and July 2023, but she did not report these transactions sooner because she had authorised them.

So, overall, I agree with what the investigator has said and I think it's more likely than not that Miss Z made these transactions herself or authorised someone to do so on her behalf.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Z to accept or reject my decision before 1 April 2024.

Sienna Mahboobani
Ombudsman