

The complaint

Miss C has complained Lloyds Bank plc hasn't refunded her money she lost as a result of unauthorised transactions.

What happened

In December 2023 Miss C contacted Lloyds as she'd lost her debit card and had seen numerous transactions on her account she didn't recognise. These were all for food deliveries.

Lloyds didn't believe the evidence showed these transactions as unauthorised and told Miss C they wouldn't refund her. Miss C brought her complaint to the ombudsman service.

Our investigator reviewed the evidence and confirmed the disputed transactions had all been authorised using Apple Pay. This had been set up on Miss C's phone a few days prior to the transaction. He wasn't going to ask Lloyds to refund Miss C.

Miss C continued to disagree with this outcome. She's asked an ombudsman to consider her complaint.

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 C's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. There are other aspects to the PSRs but nothing I believe which has an impact on Miss C's complaint.

To help me come to a decision, I've reviewed the evidence Lloyds provided as well as what Miss C has told us.

I believe these transactions were carried out with Miss C's authorisation. I say this because:

- Lloyds's evidence shows the device used for the disputed Apple Pay transactions belonged to Miss C. Their evidence also shows Miss C setting up Apple Pay authorisation on 18 December 2023 (five days before the first disputed transaction).

The verification code was sent to Miss C's phone. Miss C's online banking records show her accessing her account that same day.

- Miss C originally told Lloyds she'd lost her debit card. It's certainly the case that Miss C has a history of losing her debit cards – at least three had been mislaid in 2023 alone. But this wasn't how the disputed transactions were carried out at all.
- Miss C has told us she hadn't lost her phone or that anybody else would be able to use it. However she's also provided evidence that shows she received a scam text on 18 December. She hasn't, however, said that she responded to these attempted scams. In any case if she had, I'd not have expected the disputed transactions to be of this nature, and to have taken place earlier than five days later.

Based on what I have seen, I believe there's sufficient evidence to show Miss C authorised the disputed transactions.

My final decision

For the reasons given, my final decision is not to uphold Miss C's complaint against Lloyds Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 3 July 2024.

Sandra Quinn
Ombudsman