

## **The complaint**

Miss F complains that Clydesdale Bank Plc trading as Virgin Money are holding her liable for a transaction which she says she didn't authorise.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss F was on holiday from 18 May 2024 to 28 May 2024. When she returned home, she checked her Virgin Money app and discovered a transaction for €1,118, which she says she didn't authorise.

She reported the transaction to Virgin Money, producing a receipt showing the payment amount, and evidence that she'd contacted the merchant. She told Virgin Money she should have been charged €118, but it said it couldn't proceed with a chargeback claim as the receipt matched the amount that was debited from the account. It apologised about the time it had taken to respond to her claim and offered £50 compensation for distress and inconvenience.

Miss F wasn't satisfied and so she complained to this service. She explained that she purchased four items, which should have totalled €118, she wasn't given an itemised receipt, and the amount on the receipt was incorrect.

Our investigator explained that the transaction was 'authorised' as Miss F made the payment herself and would have received the receipt when the payment was processed. He noted that Miss F had provided pictures of four items which totalled €118 which she said she purchased, but he didn't think would have been sufficient evidence to support a chargeback claim because it isn't evidence that only the four items were purchased. And he didn't consider the lack of response from the merchant was evidence of fraud.

He concluded that Miss F might not have realised the amount of the transaction, but she authorised the payment herself, and he didn't think it was unreasonable for Virgin Money to conclude that there wasn't enough evidence to raise a chargeback.

Miss F has asked for her complaint to be reviewed by an Ombudsman. She has submitted reviews from customers which she believes shows the merchant was engaged in fraud, and she's pointed out that the merchant hasn't disputed the claim.

She has argued that the payment wasn't properly authorised because she entered her PIN under false pretences. She's also suggested Virgin Money should have flagged the payment as unusual and queried whether Virgin Money took adequate steps to contact the merchant and gather evidence.

## **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 conclusion as our investigator. And for largely the same reasons. I know Miss F feels strongly about this complaint, and this will come as a disappointment, so I'll explain why.

### *Authorisation*

Authorisation has two limbs – authentication and consent. So, Virgin Money needs to show the transaction was authenticated as well as showing Miss F consented to it.

### *Authentication*

Miss F accepts that she authenticated the payment using her debit card and PIN, so I'm satisfied it was authenticated.

### *Consent*

Miss F has said that at the time she made the payment, she had believed she was paying €118, and, consequently, she didn't authorise it.

It's important to highlight that under the applicable regulations, consent doesn't depend on Miss F having been fully aware of the details of the payment at the time she presented her card. So, for example, if there was a mistake or she was somehow tricked into paying a different amount to what she expected, this wouldn't necessarily mean she didn't consent to the transaction for the purposes of the applicable regulations. For Miss F to be regarded as having consented to the payment, it would be enough for her to have agreed to make a payment and willingly presented her card or entered her details to authenticate it. And I'm satisfied that she did.

Because of this, I'm satisfied Virgin Money has shown that Miss F authorised the transaction and so I can't fairly ask it to refund the money.

### *Chargeback*

It's only possible to make a chargeback claim to the merchant that received the disputed payment. Miss F has produced a receipt which matches the amount that debited her account. Unfortunately, I agree with our investigator that the photographs Miss F has submitted don't amount to evidence that this is all she bought and that an itemised receipt listing what was being purchased and the price of each individual item, would have been needed to raise a chargeback. So, any chargeback was destined fail, therefore I'm satisfied that Virgin Money's decision not to raise a chargeback request was fair.

### *Prevention*

Miss F has suggested that Virgin Money should have intervened when she made the payment, but there would have been no reason for it to suspect the merchant was engaged in fraud and we wouldn't reasonably expect it to know if there were reviews online about a merchant. And there was nothing suspicious about the payment itself. So, I don't think it needed to intervene.

### *Compensation*

Virgin Money has paid Miss F £50 compensation for delays, and I'm satisfied that's fair and that it addresses the impact its failings had on her.

**My final decision**

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 30 December 2025.

Carolyn Bonnell  
**Ombudsman**