

The complaint

Mr T has complained Zilch Technology Limited, trading as Zilch won't refund him for transactions made using his credit facility.

What happened

Mr T has recently been suffering from ill health and was upset to discover what he felt was significant fraud on his Zilch account. He felt that he'd lost thousands of pounds.

Zilch confirmed they wouldn't be refunding him as they knew the disputed transactions had required additional verification. Messages about this were sent to Mr T's own device.

Upset with this outcome, Mr T brought his complaint to the ombudsman service.

Our investigator reviewed the evidence but didn't believe there was enough to show Mr T hadn't authorised the two disputed transactions. These transactions didn't look like they were committed by an unknown third-party.

Very unhappy, Mr T has asked an ombudsman to consider his 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.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

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 Mr T'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.

Having reviewed the evidence, I believe there is sufficient to show that Mr T most likely authorised these payments. I say this because:

- Zilch's evidence shows Mr T's device was in use throughout the period of the disputed transactions. The two transactions are dated 19 July and 23 August 2024

and authentication messages were sent to Mr T's device. I can see the steps outlined by Zilch were carried out to verify the transactions.

- Mr T has said he'd lost his device, but I've seen no evidence to back this up. In fact, other transactions are happening around these two disputed transactions, which Mr T hasn't disputed with our service.
- The two disputed transactions total £858 and are to a holiday park. I can see the historical transactions for Mr T's account. These also show many transactions to a slightly different named holiday resort. It seems possible that this may well be the same merchant having undergone a name change.
- Also there are transactions on Mr T's Zilch account – for example at service stations – which suggest this is a geographical area Mr T was in the habit of visiting.

I appreciate Mr T's strength of feeling about what happened. He's told us he couldn't have made these transactions as he was in hospital at the time. Whilst it's clear Mr T has a number of health conditions which must cause him concern, I've not seen anything to substantiate what he's told us.

Overall, I believe Zilch has sufficient evidence to show Mr T authorised the two disputed transactions and I won't be asking them to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Mr T's complaint against Zilch Technology Limited, trading as Zilch.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 23 October 2025.

Sandra Quinn
Ombudsman