

The complaint

Mr M complains Vanquis Bank Limited (Vanquis) is holding him liable for transactions made on his account that he says he didn't make.

What happened

On 15 May 2024 Mr M raised concerns with Vanquis on discovering unauthorised transactions made on his account. The transactions totalling £2094.34 were mostly cash withdrawals and Mr M states he did not authorise them.

Mr M mentions it was a text message that he received from Vanquis on 15 May - which requested further verification of transactions made on his account, that first alerted him to the matter. As a result of this he checked his Vanquis app and realised what had happened. He also mentioned receiving a text message from Vanquis prior to this, to let him know a new card and Personal Identification Number (PIN) was being sent out but claims this was not received.

Vanquis investigated and determined it would be holding Mr M liable for the transactions in dispute because they had been made using Mr M's genuine card and PIN. As Mr M disagreed, he referred his complaint to our service for consideration.

On reviewing the complaint, and in the absence of evidence, our investigator initially upheld the complaint against Vanquis. But Vanquis provided further information which it said highlighted that it had received a call from Mr M's genuine phone number to activate the new card it had sent him, which was prior to the transactions taking place, so our investigator reconsidered the matter.

Mr M said he did not make the call and provided a copy of his phone bill which conflicted with what Vanquis had presented, so our investigator requested a copy of the call recording so a further independent review of the call could be conducted. But despite several requests for the recording, Vanquis has been unable to provide it, so it has not been possible to listen to it.

As Mr M remained unhappy with the outcome, he requested his case be referred for a final 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.

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On initial review of this complaint, it was apparent that the call recording Vanquis had

referenced as taking place to activate the new card it had sent to Mr M, carried a substantial amount of weight to its reasons for stating that Mr M was responsible for the transactions he is disputing. So, considering receipt of the call remained pending, I reached out to Vanquis separately with another request for the call recording, and presented my further thoughts as to why a review of the recording was necessary in reaching a fair and reasonable outcome. I provided another opportunity for Vanquis to share the evidence it had relied upon or to reconsider its position in light of its absence.

Vanquis in its response, disagreed with my proposed findings and specifically referred us back to its investigation of the matter conducted by its fraud team, and said its position remained the same, but yet again the call recording that was required was not presented – although I acknowledge a call was received for when the fraud was first reported.

So, as the evidence requested still remains outstanding - despite the many opportunities provided for Vanquis to present it - in the interests of bringing the matter to a close, I have decided to proceed based on the evidence I do have. Having explained this to Mr M, he states he has nothing further to add and awaits my decision.

Generally speaking, Vanquis is entitled to hold Mr M liable for any authorised transactions, and the bank is responsible for any unauthorised ones. And I've taken that into account when deciding what is fair and reasonable in this case.

The transactions in dispute were made using a credit card and the Consumer Credit Act 1974 states Vanquis can't hold Mr M liable for transactions he didn't make or allow someone else to make on his behalf. So, I need to decide if it's more likely than not Mr M made the transactions or allowed someone else to.

Having reviewed the information presented by Vanquis, I'm satisfied that these payments were authenticated – that is that the genuine card was used to make these transactions. But the regulations relevant to this case, specifically the Payment Services Regulations 2017 - say that is not, on its own, enough to hold Mr M liable for the transactions.

Mr M complains that Vanquis is holding him responsible for transactions on his account that were made using a new card and PIN that it had sent him, that he had not requested. He said he'd received a text message from Vanquis telling him that a new card and PIN were being sent to him - despite his current card not having expired - and states it was due to security controls. Vanquis states a new card was issued on 1 May and that it was successfully activated on 12 May and then used to make the transactions in dispute.

The transactions in dispute are as follows:

12 May 2024	£92.34	Merchant B
12 May 2024	£250.00	Bank Cashpoint
12 May 2024	£250.00	Bank Cashpoint
13 May 2024	£250.00	Note machine
13 May 2024	£250.00	Note machine
14 May 2024	£250.00	Note machine
14 May 2024	£250.00	Note machine
15 May 2024	£250.00	Note machine
15 May 2024	£250.00	Note machine

It's clear that despite the first transaction, that was made to a merchant, the rest of the transactions in dispute were for cash withdrawals – which were in majority made via a note machine.

Vanquis in its submissions, provided internal records to show that the genuine card and PIN was used. It also said that it received a call to its card activation line from Mr M's registered phone number, which resulted in Mr M's new card being activated.

I can see that when Mr M, initially raised concerns with Vanquis, he explained that he was expecting a new card but that he was yet to receive it. He said he still had possession of the existing card present on the account.

Mr M maintains that he did not make a call to activate the card as was suggested by Vanquis and provided a copy of his phone bill as evidence to show no call had taken place from his phone number which he felt contradicted the evidence Vanquis had presented. He believed that this was crucial evidence in supporting his claim that he had not authorised the transactions.

So, a number of requests were made to Vanquis to present the call recording that it had relied upon – and that was necessary for the investigation - but despite our efforts, over a number of months, this request was not fulfilled.

In light of this, I have given considerable thought to what Mr M has said. I can see he reported the matter to the police, and I find his testimony credible. It's plausible that Mr M's card and PIN were intercepted and used by fraudsters to make transactions on his account. And I don't consider that Vanquis has sufficiently demonstrated that Mr M most likely authorised the disputed transactions.

I also note the activity on the account is indicative of what we see in these situations when a fraudster is taking advantage of stealing as much as they can, as quickly as possible and before a card is blocked.

So given the above, I'm not satisfied that Mr M made the transactions or that Mr M allowed someone else to make the transactions on his behalf.

Ultimately, for the transactions to have been made with Mr M's involvement, I would need to be satisfied that the replacement card and PIN Vanquis had sent was received by Mr M but unfortunately, I'm not persuaded based on what I've seen that this is what happened.

Here the onus is on Vanquis to show, that on the balance of probabilities, Mr M carried out the transactions or allowed someone else to. I don't think Vanquis has shown this, so it follows I don't think it's fair to hold Mr M liable for any transactions he's disputed.

Overall, as I'm not satisfied Vanquis has sufficiently demonstrated that Mr M authorised the transactions, I don't consider it fair and reasonable for Vanquis to hold Mr M liable for them.

Putting things right

To put things right Vanquis should:

- Refund Mr M for the total sum of the disputed transactions.
- Rework Mr M's account as if the transactions have never happened.

- If Mr M has made payments towards the account balance, then that amount should also be refunded.

My final decision

For the reasons explained, I uphold this complaint against Vanquis Bank Limited. It should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 October 2025.

Sukhdeep Judge
Ombudsman