

## The complaint

Mr S is complaining that Skrill Limited hasn't refunded payments he said he didn't make.

## What happened

Both parties are familiar with the circumstances of the complaint, so I'll only set out the key features here.

In June 2023 Mr S fell victim to a scam when he was selling some furniture online. He was contacted by someone ("the scammer") who said they would like to buy the furniture and pay for delivery. The scammer sent him a false link to what appeared to be the courier's website and Mr S was told he needed to enter his details to receive the payment and confirm delivery.

Mr S says he entered his Skrill card details and also a One Time Passcode (OTP) he received from Skrill, thinking he was arranging to receive the payment. This allowed the scammer to set up Apple Pay and Google Pay on their own device using Mr S's card details. The scammer then went on to make the following payments from Mr S's account:

Payment number	Amount (GBP equivalent)
1	£27.33
2	£34.16
3	£449.43
4	£111.15
5	£55.57
6	£111.15
7	£56.69
8	£34.01

Mr S quickly realised what had happened and reported it to Skrill. Skrill agreed to refund the six payments made by Google Pay as a gesture of goodwill (which I've listed in italics above). But it didn't agree to refund Payments 1 and 3, which were made by Apple Pay. It said that the payments had been authorised and accepted by the merchants.

Mr S brought his complaint to the Financial Ombudsman Service. Our Investigator thought Skrill should also refund Payments 1 and 3 to Mr S, because she didn't think Mr S authorised the payments, or that he'd acted with gross negligence in sharing the OTP. But

Skrill didn't agree. So, Mr S's complaint was passed to me for review and a decision.

On reviewing Mr S's complaint, I didn't think we had received the evidence I required to reach my decision here. So, I asked Skril to confirm if Apple Pay was set up on a new device shortly prior to the disputed payments and to send me relevant evidence to demonstrate this. I also asked it to confirm the purpose of the OTP that was sent by text message and how the entering of this code enabled the disputed payments to be made.

Skrill did not reply to my request. So, I reached my provisional decision based on the information I did have about what happened. On reviewing Skril's responses it didn't appear to be disputing that a scammer set up Apple Pay on their own device and made the payments using it, after Mr S shared an OTP with them. So, I proceeded with my provisional decision on the basis that this is what happened.

I issued my provisional decision on 17 December 2025, asking both parties to reply with anything they wished to add by 7 January 2026. This is what I said.

*"I provisionally agree with the overall outcome reached by the Investigator that Mr S's complaint should be upheld. I'll explain why.*

#### Authorisation

*I've started by considering whether Mr S authorised these payments. This is relevant as, in line with the Payment Services Regulations 2017 (PSRs), he would generally be liable for payments he authorises – whereas Skril would be liable for unauthorised payments.*

*The PSR specify that authorisation depends on whether the payment transactions were authenticated correctly – and whether the Mr S consented to them. It doesn't appear to be in dispute that the payments were authenticated correctly (as in, the correct payment steps were completed). So, I've gone on to consider whether he consented to them.*

*The PSRs specify how consent is given: it must be in the form, and in accordance with the procedure, agreed between Mr S and Skril.*

*To establish the agreed form and procedure, I've reviewed the terms and conditions of Mr S's account at the time the payments were made. These don't set out in detail how Mr S consents to making payments using Apple Pay, which is the nature of the payments still in dispute here. So, I've looked at the practical steps that would've been needed to make the payments. It seems Mr S would have needed to use his Apple device and its associated biometrics with the merchant to make the payments.*

*But here, Mr S says it wasn't him who used the Apple device to make these disputed payments and as I've said, it doesn't appear to be in dispute that the scammer set up Apple Pay on their own device with Mr S's card details. It follows that I'm not persuaded Mr S used the agreed form and procedure to consent to these payments.*

*Skril argues that the payments should be considered authorised because Mr S gave the scammer consent to make the payments by sharing his card details and an OTP – which were used to set up Apple Pay on the scammer's device.*

*It remains that Mr S didn't use the agreed form and procedure – these were steps to set up a payment facility, not steps to consent to payments. But I have thought about whether this could reasonably mean that he gave permission for someone else to consent to payments on his behalf.*

*While Mr S did apparently share his card details and the OTP to set up Apple Pay, he did so because he thought it was to receive, not make, a payment. So, I don't think he understood he was, in fact, allowing someone to set up Apple Pay with the intention of making payments from his account.*

*Considering that Mr S was tricked into allowing someone to set up Apple Pay, I don't think it would be fair to say he gave a third-party permission to consent to payments on his behalf. It follows that I'm satisfied the disputed payments were unauthorised.*

### *Gross negligence*

*Skrill says that it shouldn't be liable for the payments because Mr S failed with gross negligence to comply with the terms of the account and keep his personalised security details safe – something which, if proven, would mean he wouldn't be entitled to a refund under the PSRs.*

*To assess this, I've reflected on the circumstances that led to the scammer gaining access to Mr S's card details and the OTP to set up Apple Pay, which (apparently) enabled the payments to be made.*

*Having reviewed the messages between Mr S and the scammer, it's clear that Mr S believed he was entering his details into the courier's website to receive the payment and arrange for the furniture to be collected. And he believed that in sharing the OTP he was arranging for the payment he was receiving to be processed. The link Mr S was sent includes the courier's name and there was nothing particularly suspicious about the way the scammer communicated with him. I can see why he would have thought he was dealing with a genuine buyer and using the courier's genuine website.*

*Skrill says that from the text message Mr S received including the OTP it would have been clear that he was adding his card to Apple Pay, because it would have said:*

*\*\*\*\*\* is your Apple Pay verification code for card ending \*\*\*\**

*I appreciate that the text message does mention that it's an Apple Pay verification code. But in the context of the circumstances here, I can understand why Mr S would have mistaken this message for part of the verification process for receiving a payment through the courier's website rather than realising that it was to set up his card as an Apple Pay token on somebody else's device which could be used to make payments. And I note that the example wording Skrill has sent to us doesn't mention that Mr S shouldn't share the OTP.*

*This isn't to say Mr S acted perfectly reasonably here. But having considered the circumstances carefully, I'm not persuaded Skrill has shown he failed with gross negligence.*

### **Conclusion**

*It follows that, in line with the PSRs, I don't consider Mr S can be fairly held liable for these unauthorised payments and Skrill must put things right – by refunding his losses from the payments alongside 8% simple interest per year to compensate him for the time he's been out of pocket.*

*My provisional decision is that I'm upholding Mr S's complaint. To put things right, Skrill Limited must:*

- *Pay Mr S the total of the unauthorised payments that remain in dispute - £476.76; and*

- *Pay 8% simple interest per year on this amount, from the date of the payments to the date of settlement (less any tax lawfully deductible)."*

Mr S replied to say he accepted my provisional decision. Our Investigator contacted Skrill to check it had received our provisional decision and remind it of the deadline to respond, but it didn't reply.

### **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.

Mr S accepted my provisional decision, and Skrill didn't respond to it. So, I see no reason to depart from it.

### **My final decision**

My final decision is that I'm upholding Mr S's complaint. To put things right, Skrill Limited must:

- Pay Mr S the total of the unauthorised payments that remain in dispute - £476.76; and
- Pay 8% simple interest per year on this amount, from the date of the payments to the date of settlement (less any tax lawfully deductible).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 February 2026.

Helen Sutcliffe  
**Ombudsman**