

The complaint

Mrs V complains about two transactions that debited her credit card held with Vanquis Bank Limited which she says she didn't make or authorise.

What happened

On 5 October 2024 a transaction for £1,999 debited Mrs V's account and on 7 October 2024 another transaction for £85.21 was debited. Mrs V says she didn't make or authorise either of these transactions, and that her card was in her possession at the time the transactions took place and no one else had access to her card details. She said she didn't leave her phone unattended and this was protected by a PIN. She also explained she was away when the first transaction took place.

Vanquis didn't uphold Mrs V's complaint. They explained both transactions were made through an Apple Pay wallet which had been set up on a new device in July 2024. In order to set up Apple Pay on a new device, a one time passcode (OTP) was issued to Mrs V's genuine phone number and this would have been entered to complete the registration process and a new device to be set up to use Apple Pay.

Our investigator didn't uphold the complaint either. She said she'd seen evidence to show that a OTP was sent to Mrs V's genuine number which facilitated the Apple Pay token being created on a new device, one that wasn't registered to her account.

Our investigator explained there was no obvious point of compromise for her phone or card as no one else had access to them so she thought it was more likely than not the OTP had been received by Mrs V. Our investigator said it was plausible that the Apple Pay token was set up on a third party device so it wasn't Mrs V who actually made these payments herself.

However by sharing (even if inadvertently) the OTP to allow the Apple Pay token to be added to a device, Mrs V gave the third party her authority to make the payments. As such our investigator concluded Mrs V is liable for the transactions.

Mrs V didn't agree. She said she was away when the first transactions was made and can provide witnesses to confirm this. She said she wouldn't have given details to anyone and her phone wouldn't have received a passcode because she's only been using it since September and her old phone is still in her possession.

As Mrs V didn't agree, the complaint was passed to me to consider. I issued a provisional decision which I have included below as it forms part of this final decision.

My provisional decision

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mrs V has been consistent with both our service and Vanquis that her card was in her

possession at the time the transactions took place and no one else had access to her card details. She's also consistently said she didn't leave her phone unattended and this was protected by a PIN, so I accept Mrs V's testimony.

Having looked at the evidence provided by Vanquis I can see that on 1 July 2025 a new token was added meaning that a device had been set up using Apple Pay which Vanquis says was done using the iPhone's digital wallet system. Vanquis has evidenced that the approval was undertaken using an OTP.

Vanquis has also explained the OTP would be sent to the phone number held for Mrs V by SMS, and having looked at their historic records I can see the number they've held for her matches the one our service holds for her. I do appreciate Mrs V says she cannot recall receiving the OTP but based on the evidence I have, I'm satisfied the OTP was sent to Mrs V's genuine phone number.

Although I understand Mrs V has said she didn't give the OTP to anyone, as the Apple Pay couldn't be set up on a device without it, I think it's more likely that Mrs V did give this information, even if it was inadvertently.

Like the investigator, I find it plausible that the Apple Pay may have been set up on a third party device but as it seems Mrs V may have shared the OTP, this enabled the card to be added to the Apple Pay and in turn allowed the spending to take place.

When Apple Pay is registered on a phone, a 'token' is created which links the card to the mobile phone device. Barclays records show that the same token that was added at this time was the same token used to make both of the disputed transactions in October 2025.

As explained above, the disputed transactions didn't take place until October. I find it highly unusual that a fraudster would wait from July (when they have access to the Apple Pay) until using the account in October, particularly as this was a credit card. Vanquis' records also indicate Vanquis increased the credit limit in September yet the transactions didn't occur until October.

I also find it unusual that the first transaction to take place was on 5 October and although there appear to have been subsequent unsuccessful transactions the third party waited until 7 October to make the second payment, and did so for a substantially less sum compared to the first transaction.

Whilst I accept it may not have been Mrs V making these payments herself (and I can see she told our service she had been away on a work trip) but I find Mrs V must have disclosed the OTP in some way. I say this because unless she did so, the transactions couldn't have taken place. It's possible Mrs V did so inadvertently and/or perhaps as part of a scam. But because Mrs V is clear that her phone wouldn't have received a passcode because she's only been using it since September and her old phone is still in her possession, I don't have any evidence of the circumstances of that disclosure. So, I can't fairly conclude the transactions were made without Mrs V's involvement in the circumstances she's described.

As such, I find it's fair for Vanquis to treat the disputed transactions as authorised by Mrs V. I appreciate Mrs V will be disappointed with my findings, but I cannot fairly ask Vanquis to provide her with a refund.

Mrs V has also asked if Vanquis are entitled to withhold information from the Police. I would expect Vanquis to co-operate with the Police if they get in touch with them. For the reasons I've outlined above, for the purposes of the complaint at our service my provisional decision is that I do not uphold Mrs V's complaint.

My provisional decision

My provisional decision is that I do not intend to uphold this complaint.

Responses to my provisional decision

Vanquis said it didn't have anything further to send to our service before a final decision.

Mrs V said that if we reviewed CCTV from the store one of the disputed transactions were made to, this would show it wasn't her making the payment. She also said if she had given someone access to her card and PIN then she would have told them the available limit so they would have spent more. Mrs V said she made a genuine transaction the night before the disputed ones on her own device so she questioned why she would then use another device.

As Mrs V remained unhappy, she asked what her next steps would be.

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.

Mrs V said she thought it was strange no attempt had been made to contact one of the retailers as she said cameras in store would show it wasn't her making the payments. I understand Mrs V says she wasn't in the same location as when the disputed transactions took place. But as our Investigator explained we have sufficient evidence without this to reach an outcome on Mrs V's complaint.

And in any event, even if there was CCTV footage which shows it wasn't Mrs V making the transactions, it doesn't mean the person who made the payments didn't have Mrs V's authorisation. I say this because an OTP would have been needed to approve the Apple Pay being added to a new device. And Vanquis have demonstrated the OTP was sent to Mrs V's genuine phone number. I therefore think it's more likely than not that Mrs V shared this OTP which enabled the Apple Pay to be set up and the transactions to take place. This therefore means I think it's fair Vanquis can hold Mrs V liable for the transactions.

Mrs V said if she had given someone her card or PIN she would have told them her available limit and they would have attempted to exceed this. I should remind Mrs V that the two transactions were carried out using Apple Pay rather than Mrs V's physical card or PIN. I do take on board Mrs V's comments that her available limit was not exceeded. But this on its own doesn't mean Mrs V wasn't some way involved in facilitating the payments. Based on the fact that Mrs V has likely shared the OTP, I think she has therefore enabled the disputed transactions to take place.

Mrs V said she'd made a genuine purchase the night before the disputed ones on her own device so she questioned why she would use another device. I do think it's possible Mrs V gave the OTP to another person (although I understand she says this wasn't the case), so I do think it's feasible this person then accessed the Apple Pay using a separate device to the one that Mrs V had. Even though the disputed transactions were made using a separate token, as Mrs V has seemingly shared the OTP, I don't think Vanquis have done anything wrong in holding her liable.

So taking everything into account, and for the reasons I've explained in my provisional decision, I won't be upholding Mrs V's complaint.

I realise this will be disappointing for Mrs V. She has described the impact this complaint is having on her health which I am sorry to hear about, and I understand she is concerned about paying back the balance on her account. She would also like to know her next steps given the stress that this is causing her. As Mrs V is aware a final decision marks the end of the process at this service so we won't be reviewing this complaint again. However, should Mrs V wish to consider alternative routes then she could seek independent advice if she wishes to do so – but this isn't something our service would be involved with.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V to accept or reject my decision before 12 May 2026.

Marie Camenzuli
Ombudsman