

complaint

Mrs D says that NewDay Ltd is holding her responsible for card payments that she says she didn't make or let anyone else make.

background

Mrs D opened a Debenhams card account in September 2014. She did so to get a discount on some items she was buying at the time. NewDay runs the Debenhams card account.

NewDay says it sent Mrs D a card a couple of days later, but she said she didn't receive it. So it sent a replacement the following month, when Mrs D called to pay off her bill. Mrs D says she got the replacement card, but never used it. She locked it away – still attached to the letter sent with it.

In December 2014 Mrs D received an account statement, indicating her card had been used for several transactions – including a cash machine withdrawal and at a number of different shops – in a town around 200 miles from her home. The bill was for more than £760.

Mrs D says she knows nothing about the card use. She was in her home town at the time. The card was locked away and has never been used. Nobody in her family knew she had a card and couldn't have used it more than 200 miles away. She still has the card.

NewDay, on the other hand, says that its records show that the genuine card was used, together with the correct personal identification number, or PIN. It doesn't think that the card was used by a fraudster.

One of our adjudicators looked at the case, but broadly agreed with NewDay. She didn't think it very likely that someone could have taken the card, used it 200 miles away and then returned it to Mrs D. Mrs D didn't agree and asked that we look at the case again.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. But, now that I've done that, I agree with the adjudicator's conclusions.

NewDay's records show that the second, replacement, card was used to make the purchases and the cash withdrawal. So, even if Mrs D didn't get the first card, that's not the explanation for what happened here. The card used was the card which Mrs D says she received.

I accept as well that the genuine card was used – rather than a 'clone' or copy of it. That's because the records show that the chip in the card was read. Mrs D says that the police have confirmed that the card has never been used; but I can't see how they could say that with any certainty. In any event, NewDay has strong evidence showing it was used.

That in turn means that the card can't have been locked away in Mrs D's home, attached to its covering letter. At some point it was taken off the letter and used to make purchases and a cash withdrawal.

It may be that Mrs D didn't use the card herself. But if she didn't, it must have been used by someone who knew she had it and was able to take it away and use it – with the correct PIN

– and then return it to her. Mrs D says nobody was in a position to do that, but I'm afraid I don't accept that.

I think the most likely explanation for what happened is that Mrs D used the card herself or let someone else have it. Either way, it wouldn't be fair to make NewDay refund the transactions.

my final decision

For the reasons I've explained, my final decision is that NewDay doesn't have to refund the disputed transactions here.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 12 October 2015.

Michael Ingram
ombudsman