

## **The complaint**

Mr K complains Lloyds Bank PLC hasn't refunded two transactions totalling £2,500 that he didn't authorise or consent to.

## **What happened**

Mr K has an account with Lloyds Bank with a debit and a credit card and has done so for over five years. He's told us that he doesn't speak good English.

On 31 December 2022 Mr K contacted Lloyds Bank – with the help of his daughter – to say there were multiple transactions on his account that he didn't recognise. The transactions started in November 2022 and were made using his credit card details. Lloyds Bank refunded these payments and cancelled his credit card.

On 5 January 2023 Mr K's contacted Lloyds Bank – again with the help of his daughter – about a £14,250 transfer he wanted to make to a car dealer to buy a car. Lloyds Bank had blocked the payment as it had been flagged for a security check. Mr K confirmed that he was the one making the £14,250 and the payment was released.

On 7 January 2023 Mr K contacted Lloyds Bank – again with the help of his daughter – to say there were two more transactions on his account that he didn't recognise, namely a £2,000 payment on 31 December 2022 and a £500 payment on 7 January 2023. This complaint relates to those two payments. Both payments were made using Mr K's online banking, were faster payments and were sent to the same beneficiary.

Lloyds Bank investigated the two transactions Mr K disputed. Having done so, Lloyds Bank said that it didn't think the transactions were fraudulent. Mr K was unhappy and complained about Lloyds Bank's decision. Lloyds Bank looked into Mr K's complaint and said that it didn't think it had done anything wrong. Mr K had complained to our service by then.

One of our investigators looked into Mr K's complaint and said that they didn't think Lloyds Bank had done anything wrong. Mr K was unhappy and asked to see the evidence that a text message needed to authorise the first transaction had been sent to his mobile phone. Our investigator sent that evidence to Mr K who remained unhappy and asked for his complaint to be referred to an ombudsman. His complaint was, as a result, passed on to me.

## **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.

I've listened to several calls between Lloyds Bank and Mr K and his daughter, including the call when Mr K reported the two transactions that this complaint relates to. It's clear from the calls I've listened to that Mr K doesn't speak good English – and that at times his daughter struggles to understand what Lloyds Bank is saying. This can at times be confusing – and at times means Mr K and his daughter are inconsistent in their responses. At one point, for example, Mr K's daughter says her father's old mobile phone was protected by a passcode – meaning someone would need to know his passcode in order to unlock his phone – and later on says that it wasn't – meaning anyone could access his phone. His daughter is, however, clear that her father's new mobile phone is protected by a passcode.

### ***the calls***

Lloyds Bank asked Mr K to confirm the last payment he'd made when he called on 31 December 2022 to dispute transactions dating back to November 2022. I've listened to that call. Mr K confirmed the last payment he'd made was for £2,000. The only £2,000 payment made on 31 December 2022 was the £2,000 payment that Mr K is now disputing. At no point during that call did he or his daughter say his mobile phone had been stolen.

Lloyds Bank asked Mr K to confirm a £14,250 payment that had been flagged for a security check was a payment he wanted to make when he called on 5 January 2023. I've listened to that call too. He confirmed it was a payment he wanted to make – he was buying a car – and the payment was released. During that call Mr K's daughter told Lloyds Bank that her father had a new mobile phone – a Motorola – and that he had two phones – his other one being a Samsung. She also told Lloyds Bank that her father didn't have both phones on him right then. At no point during the call did his daughter say his Samsung phone had been stolen.

Mr K's daughter told Lloyds Bank that her father's Samsung phone had been stolen on 27 December 2022 when she called to dispute the two payments to which this complaint relates. In other words, when she called Lloyds Bank on 7 January 2023. I've listened to that call too.

I'm satisfied, based on what I've already said, that the first payment for £2,000 was made using Mr K's Samsung phone and that the second payment for £500 was made using Mr K's Motorola phone. I'm also satisfied that both payments were made using Mr K's online banking and the first one was authenticated using the mobile phone that was registered with Lloyds Bank at the time. In other words, that a call challenge was made to Mr K's Samsung phone in relation to the first transaction and successfully completed. That's because the first payment involved setting up a new beneficiary. I'm satisfied that Mr K confirmed that the last payment he'd made on his account was for £2,000 when he called Lloyds Bank on 31 December 2022. The only £2,000 payment made on 31 December 2022 was the one Mr K has since disputed. I'm also satisfied that he didn't mention the fact that his mobile phone had been stolen when he called Lloyds Bank on 31 December 2022.

Given everything I've said, I don't think Lloyds Bank acted unfairly or unreasonably when it said it wouldn't refund the two transactions Mr K is disputing as the evidence shows both transactions were done:

- using Mr K's online banking; and
- using two different mobile phones both of which, as far as Lloyds Bank was concerned, Mr K was using at the time of the transaction in question.

And because:

- Mr K confirmed the £2,000 transfer was his when he spoke to Lloyds Bank on 31 December 2022;
- both payments went to the same beneficiary; and
- Mr K didn't report his Samsung as stolen until 7 January 2023 despite saying it had been stolen on 27 December 2022, despite calling Lloyds Bank on 31 December 2022 to report fraud and despite his daughter telling Lloyds Bank on 5 January 2023 that he had two mobile phones.

### **My final decision**

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 2 January 2024.

Nicolas Atkinson  
**Ombudsman**