

### **The complaint**

Mr K complains about finance agreements taken out in his name with Tesco Mobile Limited

#### **What happened**

In June 2019 two finance agreements were taken out with Tesco Mobile Limited for two handsets. In the course of these transactions a deposit was paid from an account belonging to Mr K. Direct debits were also set up on this account to pay for the contracts. These direct debits were subsequently cancelled before the payments could be taken. The handsets were delivered to Mr K's neighbour. It appears that no further payments were made towards the handsets and Tesco Mobile Limited is pursuing Mr K for the outstanding payments.

Mr K denies that he ever took out these agreements or received the handsets. He explains before all of this happened, he lost his bank card for the bank account where the deposit came from. He has outlined how distressed he is due to being chased for money he suggests he does not owe. Mr K complained to Tesco Mobile Limited.

Tesco Mobile Limited declined to stop pursuing Mr K for the money owed. It took this decision on the basis that it was not satisfied that someone other than Mr K applied for the finance agreements.

Dissatisfied Mr K complained to our service.

One of investigators looked into Mr K's complaint. In the circumstances, our investigator thought he had no proper basis for asking Tesco Mobile Limited to take any further action. It followed our investigator did not recommend upholding Mr K's complaint.

Tesco Mobile Limited accepted our investigator's recommendation, Mr K did not. In summary, he expressed disappointment with the outcome. He shared some insight into the difficulties he faces in life just because of who he is. He reiterated that he did not take out this finance and told us that he had been treated unfairly.

Moreover, Mr K suggested the investigation was not thorough enough and did not deal with what he considered to be key points. He repeated he had never received the handsets. He wanted to know which email account had been used apply for the finance. Our investigator had pointed out that the phones had been used in the geographic location that was close to where Mr K spent his time. Mr K suggested that the explanation for this was clear, he'd lost his bank card locally therefore it stood to reason that the fraudsters were local. Mr K then asked how anyone pretending to be him could have been given this amount of credit in any event, given he is a full-time student without income or paid employment.

Mr K asked that an ombudsman take a look at his complaint from a fresh perspective.

#### **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.

First, I'm very aware that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No courtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

I do take on board what Mr K says about the difficulties he faces everyday due to who he is, I don't underestimate the impact of that. However, that said, in this instance what I have to look at is whether I have any fair or reasonable basis for telling Tesco Mobile Limited that it must cease pursuing him for the debt. I have concluded that I do not have any such basis. I don't say this to disappoint Mr K, far from it. Let me explain why I've reached this finding.

There are several difficulties for Mr K in relation to these finance agreements I'll go through them.

In order to set up the agreements Tesco Mobile Limited was supplied with correct sensitive personal information about Mr K that was not readily available in public forums.

Further, the deposit came from Mr K's account. Albeit I recognise he tells us he lost his bank card and from what he tells us he did not use this account anyway. But nonetheless the deposit came from this account, and the money for the deposit was sent to this account a few days before the contracts were made. Anyone who stole or used the account without Mr K's permission is unlikely to have known this was an account he did not use and that they also were taking the risk that Mr K would not notice the payment into and the payment out of his account and query it.

Moreover, the information we have been provided with indicates that the phones were used within Mr K's vicinity.

I have also thought carefully about Mr K's latest objections.

It does go in his favour, up to a point, that the handsets were not delivered to his home address. It is not clear why the handsets were delivered next door. That said, if an unknown third party took out the finance agreements to get the phones I think it is unlikely that that third party would take the risk of having the handsets sent to an address right next door to Mr K's address. Especially when it seems likely whoever took out the finance agreements had the choice of sending the handsets to an entirely unconnected address.

I recognise that it could have been helpful to see what email address had been used to set up the accounts. That said, that by itself is unlikely to have been the deciding factor here. Email accounts can be set up without secure checks and the IP address of the email account was unlikely to be definitive either.

Where the phones were used also does not help Mr K. I take on board that it could be that an unknown third party did all of this and that they are locally based. But that does not explain how that third party was able to get access to all of the secure personal information whoever applied for the finance had to have had.

In the circumstances, on balance, I find that I have no fair or reasonable basis for telling Tesco Mobile Limited it must stop pursuing Mr K for payment.

Mr K mentions that he is a young person in full-time education with no income and no paid job. He has talked about affordability and how whoever passed the credit checks did pass the credit checks. I can see why he asks this. That said, this is a new issue, therefore it was not investigated by Tesco Mobile Limited in its final response. That means I have no power

to look at this new point in this decision. If Mr K wants Tesco Mobile Limited to look at this issue, he will need to do this with it directly.

**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 Mr K to accept or reject my decision before 9 March 2022.

Joyce Gordon  
**Ombudsman**