

The complaint

Mr Y has complained Vodafone Limited has added late payment markers to his credit record although he never took out the agreement for a mobile device.

What happened

In July 2021 an order was placed for a mobile device in Mr Y's name and home address. The device was delivered to a business address. Vodafone confirmed the order and forthcoming direct debits in a letter sent to Mr Y's home address.

In January 2022 Mr Y contacted Vodafone as he'd noticed direct debits from his account which he didn't recognise. He told them he'd not ordered or taken possession of this device. He believed this had been ordered by his ex-employer (who I'll call R) but he'd left their employment in 2020. Mr Y cancelled the direct debit.

As arrears built on this account, Vodafone confirmed they were asking Mr Y to pay these. After considering Mr Y's complaint, Vodafone didn't believe there was evidence of fraud.

Mr Y brought his complaint to the ombudsman service. Our investigator believed this was a dispute between Mr Y and R.

Still unhappy, Mr Y asked an ombudsman to consider his complaint. He also provided a letter from R confirming what had happened. They had also paid the arrears due to Vodafone.

I completed a provisional decision on 22 February confirming I believed the evidence indicated Mr Y hadn't taken out this credit agreement.

Vodafone accepted this outcome as did Mr Y.

I now have all I need to complete my final decision.

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.

Having done so, I've reached the same outcome as I did in my provisional decision. I'll explain why.

I don't believe Mr Y took out the credit agreement for a mobile device in July 2021. I say this because:

- The email address attached to the credit agreement is for someone employed by R.
- The mobile device was delivered to R's commercial address.
- Vodafone's own records show they believed the person ordering the phone and

passing security in July 2021 was not the voice of Mr Y who called them on 12 January 2022 complaining about what had happened.

- R – and their company secretary – would have had sufficient personal details for Mr Y, including his address and bank account details, to set up an agreement in his name.
- The outstanding arrears in 2022 were confirmed by Vodafone as paid. They wouldn't say anything other than it was a business payment. I think it's more than likely this was R.
- I've seen a letter from R dated 21 November 2022 confirming Mr Y had left their employment in 2020 and the device was ordered as an upgrade in July 2021 by their company secretary. This letter has been shared with Vodafone.

I'm aware Mr Y in all likelihood received a letter from Vodafone confirming the agreement had been taken out in July 2021. But I can see that Mr Y's own phone agreement was also with Vodafone so he'd have been paying direct debits to Vodafone anyway. So I don't believe it's completely surprising he overlooked this.

I have considered various other scenarios here but don't think they stand up after investigation and consideration.

For all these reasons I'm satisfied Mr Y didn't take out the credit agreement or received or used the mobile device.

Putting things right

As well as removing this credit agreement from Mr Y's credit record, Vodafone will also need to reimburse the payments made from July 2021 to 7 January 2022 along with 8% simple interest a year for Mr Y being without the money which was rightly his.

I also note Vodafone has had a few opportunities to realise its error and put things right. They noted themselves that voices differed from the time the device was ordered to Mr Y complaining. They've also been in receipt of R's letter for a few months. Overall I believe they should pay Mr Y an additional £100 in compensation for the trouble they've caused in dragging this out.

My final decision

For the reasons I've given, my final decision is to instruct Vodafone Limited to:

- Remove the credit agreement linked to the mobile device ending in 589 from Mr Y's credit record;
- Repay all money Mr Y paid to Vodafone related to this device;
- Add 8% simple interest to those amounts from the dates Mr Y was debited to the date of settlement; and
- Pay Mr Y £100 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 29 March 2023.

Sandra Quinn
Ombudsman