

## **The complaint**

Mr B has complained Tesco Mobile Limited is asking him to repay a credit agreement for a handset which he didn't order.

## **What happened**

After splitting up from a long-term relationship, Mr B realised his ex-partner had renewed a mobile phone contract by taking out a new credit agreement and ordering a new handset. This was all done in Mr B's name and he was concerned this had happened despite them splitting up. He was also concerned about the impact on his credit record as payments were not being made.

He complained to Tesco. They accepted this handset had been delivered to his ex-partner, who seemed to manage the account and had changed the address to hers in 2023 around the time of taking out the new credit agreement. However, Tesco believed this was a civil dispute and continued to ask Mr B to make repayments.

Mr B brought his complaint to the ombudsman service.

Our investigator accepted that Mr B may well have given his apparent authority to the credit agreement taken out at the beginning of 2021 whilst he was still in a relationship with his ex. However, by the time of May 2023 he didn't believe that Mr B had consented to this credit agreement being taken out. Tesco's own evidence showed Mr B's ex-partner ensured the new handset had been delivered to her current address and her email was where all documentation was sent to. Our investigator asked Tesco to remove this agreement from Mr B's name, stop asking him to make payments towards this agreement and remove reference to this from his credit record.

Tesco never responded to this view. Mr B's complaint has been referred to an ombudsman.

## **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 conclusion as our investigator although I will also be asking Tesco to pay additional compensation. I'll explain why.

Our investigator wrote a detailed view on 25 March 2024. I see no reason to go through his detailed history of this complaint and the different credit agreements taken out in Mr B's name.

However, I can confirm that having reviewed Tesco's evidence – particularly around the address information for this account – I agree that Mr B gave no authority to his ex-partner to take out this disputed agreement in May 2023.

I also note that Tesco themselves state in their customer notes:

*“and found as the actions had been completed by the customers ex-partner who had access to his details the matter would not be considered account Fraud”*

So, I believe they accept that Mr B didn't take out this agreement. I dispute their belief this is a civil matter. I would have expected them to have taken earlier action to resolve this dispute. This has no doubt caused distress to Mr B who is aware that unpaid demands from a debt collection agency are being sent to his ex-partner which is causing him to feel vulnerable. There's also been an impact on his credit record.

### **Putting things right**

As Mr B didn't take out the credit agreement dated 21 May 2023, Tesco will need to take this out of his name and ensure they stop asking him to make any repayments. As they know who does have the handset and where she lives, I leave it to them to take any additional enforcement action they feel is appropriate with Mr B's ex-partner.

Tesco has been aware throughout of us treating this complaint as needing to be progressed because of the impact on Mr B. However, they never responded to our investigator and allowed this complaint to remain unresolved for some time. This has continued to have an impact on Mr B.

I believe it's fair that Tesco pay Mr B a further £150 for the trouble caused. I've taken into account the £50 they've already paid Mr B for the incorrect signposting when providing him with a final response. Our investigator has written to Tesco separately to confirm I am taking this action.

### **My final decision**

For the reasons given, my final decision is to instruct Tesco Mobile Limited to:

- Take out the credit agreement currently held in Mr B's name;
- Stop requiring him to make any payments towards this agreement;
- Remove this agreement from his credit record, including the negative markers; and
- Pay Mr B a further £150 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 September 2024.

Sandra Quinn  
**Ombudsman**