

The complaint

Mr M has complained Virgin Media Mobile Finance Limited is holding him liable for a credit agreement he didn't take out.

What happened

In April 2024 Mr M received a letter from a debt collection agency about a debt. He complained to Virgin Media that there appeared to be a credit agreement in his name for a mobile handset. He denied having taken this agreement out.

Virgin Media confirmed they were continuing to hold him liable as they didn't believe the agreement was fraudulently taken out. They also believed the number continued to be used by him.

Mr M brought his complaint to the ombudsman service.

Our investigator reviewed what had happened. She noted that Mr M's credit record didn't show the address Virgin Media held for the disputed credit agreement as his. Neither were the email or phone details related to the credit agreement. She felt there wasn't enough evidence to show Mr M had taken out this agreement. She asked Virgin Media to cancel the agreement as well as giving Mr M £100 for the trouble caused.

Virgin Media disagreed with this outcome and have asked an ombudsman to consider Mr M's complaint.

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 our investigator. I'll explain why.

Firstly, I can see a credit agreement was taken out on 27 June 2022 for a mobile handset. This agreement appears to be in Mr M's name. He says he didn't take it out, but Virgin Media is pursuing him for repayment of the debt. Virgin Media confirmed a direct debit was set up and paid but this doesn't appear to be related to any of Mr M's bank accounts. I've seen copies of Mr M's bank statements which appear to verify this.

I note the name of the credit agreement differs from Mr M's by one letter within the first name. Mr M has told us this is a brother of his. I've seen a copy of Mr M's credit record. This shows no reference to the address on the credit agreement Virgin Media has shared with us. I can also confirm other personal details are not Mr M's.

Virgin Media has given us no evidence that Mr M was involved in the credit agreement which does appear to have been granted to his brother. As payments stopped being made to the agreement, I wonder whether the debt collection agency appointed by Virgin Media then made an error in pursuing Mr M, our complainant, for this debt.

I appreciate Virgin Media believes that this is a civil dispute. I'm not sure why Mr M should be held liable for the actions of his brother and an error which appears to have been made in pursuing Mr M. I disagree with this view.

Overall, I'm satisfied – based on the evidence provided to us by Virgin Media and Mr M – that Mr M didn't take out this credit agreement.

Putting things right

As Mr M didn't take out this agreement, Virgin Media will need to put things right.

I am asking them to ensure Mr M is no longer being pursued for the outstanding debt. Virgin Media would also need to remove any reference to this loan from Mr M's credit record normally but I see no reference to this on the copy of Mr M's credit record that he shared with us (which further indicates to me that both Virgin Media and the debt collection agency made an error in pursuing Mr M). I am not asking them to cancel the credit agreement itself as it remains open to Virgin Media to pursue Mr M's brother for repayment of his debt.

This has undoubtedly caused Mr M stress and trouble. I can see this from his testimony. Like our investigator, I believe Virgin Media should pay him £100.

My final decision

For the reasons given, my final decision is to instruct Virgin Media Mobile Finance Limited to:

- Stop pursuing Mr M for repayment of a credit agreement taken out by someone else; and
- Pay Mr M £100 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 March 2025.

Sandra Quinn
Ombudsman