

The complaint

Mr H complains that Hastings Financial Services Limited trading as Hastings Direct (“Hastings”) is holding him liable for the debt on a loan he says he neither applied for nor consented to.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, in June 2024 a loan was taken out with Hastings in Mr H’s name for £5,000. Mr H subsequently got in touch with Hastings to let it know he neither applied for nor consented to the loan. Hastings investigated things and ultimately couldn’t reach agreement with Mr H, so he referred his complaint about Hastings to us. As an Investigator here couldn’t resolve the matter informally, the case has been passed to me for a 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.

First let me clarify exactly what this decision is about. I understand Mr H has said two loans were taken out in his name in June 2024 without his knowledge or consent – one with Hastings for £5,000 and the other with who I’ll call Lender N also for £5,000. Both loans were paid into Mr H’s bank account held with who I’ll call Bank L. And Mr H complained separately about each financial business – Hastings, Lender N, and Bank L. An Ombudsman issued a final decision in May not upholding Mr H’s complaint about Bank L. So this now leaves Mr H’s complaints about Hastings and Lender N, which I’ve considered. At the same time as issuing this decision about Hastings, I’m concurrently issuing a decision on Mr H’s linked complaint about Lender N.

This decision here concerns only the £5,000 loan with Hastings and whether it’s fair and reasonable for Hastings to hold Mr H responsible for it. And having considered things carefully, I’ve decided to not uphold the complaint for materially the same reasons as our Investigator already explained.

I’ve focused on what I think is the heart of the matter. 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 point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

The question is: did Mr H enter into this loan agreement, or was it done without his knowledge and/or consent as he alleges? And in this case, I think it’s most likely that the loan was taken out in Mr H’s name with his knowledge and consent, and he therefore did enter into this loan agreement.

I say this because I’ve seen information from which I’m satisfied that Hastings received a loan application which contained Mr H’s genuine details such as his name, date of birth,

address, and email address. I've also seen information from which I'm satisfied that as part of the loan application process, Hastings sent an email to the email address provided to proceed with the application. I've not seen a plausible indication or explanation in this case how a third party could have obtained access to Mr H's email without his knowledge and consent. Neither have I have any information explaining how someone without access to Mr H's email would have been able to proceed with the loan application from this point onwards.

I also note that the loan funds were paid into Mr H's own bank account with Bank L. This wouldn't automatically mean that Mr H must have applied for and/or consented to the loan. But I note here that the Ombudsman's final decision on Mr H's complaint about Bank L was that she could not uphold it because she was persuaded that the payments of the loan funds out of Mr H's account with Bank L were likely authorised by Mr H.

I've considered everything Mr H has said, including what he's said about his signature and the spelling of his name. But these points haven't changed my mind. I'm satisfied from the information I've seen that there's no reasonable explanation of how this loan could most likely have been taken out without Mr H's knowledge or consent. So, for the reasons explained, I don't think it would be fair for me to tell Hastings to do anything differently, or that it can't pursue Mr H for repayment of the loan.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 4 September 2025.

Neil Bridge
Ombudsman