

The complaint

Mr A complains that Barclays Bank UK PLC trading as Tesco Bank (“Tesco”) is holding him liable for the debt on a loan which he says was irresponsibly lent.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, in May 2023 a loan was taken out with Tesco in Mr A’s name for £8,500. Mr A subsequently got in touch with Tesco to let it know he hadn’t applied for or consented to the loan, and that, instead, scammers had tricked him at the time. An Ombudsman issued a decision in April 2025 under a separate case reference explaining why we couldn’t consider a complaint about that. However, Mr A’s complaint here, now, is that Tesco is holding him liable for the loan which was irresponsibly lent. 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.

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.

First let me clarify exactly what this decision is about. I understand Mr A has said that in May 2023 he was tricked by scammers resulting in numerous loans being taken out in his name without his knowledge or consent. At the time of issuing this decision on Tesco’s involvement, I’m concurrently issuing decisions on Mr A’s linked complaints about four other loans.

This decision concerns only the £8,500 loan with Tesco and whether it’s fair for Tesco to hold Mr A responsible for this loan bearing in mind how it was granted.

Mr A has questioned how he was accepted for the loan in the first place. For clarity, our usual approach, if we were to uphold a complaint about unaffordable lending, is that interest and charges should be removed but the consumer should still pay back the principal amount of the loan they had the use of. But in this case I just don’t think it would be fair to hold Tesco responsible for what Mr A has said happened. Our Investigator explained the affordability checks Tesco conducted. The information I’ve seen doesn’t suggest Tesco would have known about any of the other loans Mr A had already been granted that week (if any) as credit files aren’t updated immediately (and any searches showing aren’t the same thing as a loan being granted). I’m not convinced Tesco reasonably ought to have done more or thought any repayments wouldn’t be sustainable. And it seems from all the information Mr A allowed the scammers access too, and the extent to which he appears to have been under their spell (again, assuming he was scammed), that the material cause of Mr A’s loss here

isn't the actions of Tesco. I'm afraid, in these circumstances, I'm just not persuaded it would be fair for me to tell Tesco that it can't hold Mr A responsible for this loan. However, naturally, I would expect Tesco to be sympathetic to any financial constraints and to reach a reasonable repayment plan with Mr A moving forwards.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 June 2025.

Neil Bridge
Ombudsman