

The complaint

Miss S complains that Admiral Financial Services Limited trading as Admiral Money (Admiral) are holding her liable for a loan that she says she didn't take out or benefit from.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In December 2022 Admiral agreed a loan in Miss S' name. The loan was paid into her bank account. From there the funds were ultimately transferred to a third-party. Following the loan funds being paid, Admiral say there were several instances of contact between them and Miss S. They say initially Miss S said she didn't want the loan and wanted to return the funds, then she said she still needed it, before later saying she was in financial difficulty. Admiral say that Miss S then contacted them (with support from a family member) in March 2023 and said she had no awareness of this loan.

Miss S has said that an abusive ex-boyfriend had applied for the Admiral loan without her knowledge or consent. She says although her ex-boyfriend would've known her correct details, the email address and phone number associated with the application weren't hers. She says she was coerced and threatened so she sent the money on upon her ex-boyfriend's instructions. She also says the loan was unaffordable for her. Miss S' complaint form records that she was pressured to contact Admiral and say she would make small payments towards the loan. She says she reported this to the police and was told they couldn't help as it was a 'financial matter and a civil dispute'. Miss S also says there was a second £10,000 loan with another lender in the same circumstances. And that lender wrote the loan off and removed it from her credit file. She would like Admiral to do the same.

Ultimately Admiral said they believed Miss S had been the victim of a romance scam, not that she'd been a victim of identity theft. They suggested that she contact her bank, and continued to hold her liable for the loan. They did however say that once the capital sum had been paid off, they would delete the loan from her credit file and consider writing off the interest as a gesture of goodwill.

The matter was referred to our service and one of our Investigators recommended it should be upheld. He recommended that Admiral should write off the loan, remove it from her credit file and that any interest charges or fees should be refunded with interest. Admiral didn't accept this and asked for an Ombudsman to make a decision.

In January 2025 I issued a provisional decision in which I said:

"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'm intending to reach a different outcome to that of our Investigator. So, I'm issuing this provisional decision to give both sides a further opportunity to comment before finalising my decision.

My role requires that I remain impartial and reach my outcome based on what I think is fair and reasonable in all the circumstances. It isn't in dispute that Admiral agreed the loan as described above and paid it to Miss S. And Miss S is now in effect asking our service to direct Admiral to stop pursuing her for this money because of the circumstances she's described. As such, Miss S' testimony is an important factor in my consideration of this complaint. And this is a sensitive / difficult subject, particularly as some of Miss S' evidence shows her with injuries that she says she sustained at the hands of her ex-boyfriend.

The loan was agreed and paid to Miss S in December 2022. Miss S' bank statements show that this money was sent on from her bank accounts by 20 December 2022. There were several instances of contact between Miss S and Admiral in early 2023. Initially Miss S said she no longer wanted the loan and wanted to return it. Then she said she wanted to go ahead with it but was experiencing financial difficulties. Admiral sought to arrange an affordable repayment plan. Then in March 2023 Miss S contacted Admiral with the support of a family member. She said she was unsure how much the loan was for, and that she hadn't previously told anyone what had gone on due to the threats made by her ex-boyfriend.

Admiral began an investigation and on 16 March 2023 asked Miss S to contact the police and her own bank. Having not received a response, on 29 March 2023, Admiral asked Miss S who authorised the payments from her bank account, and if it wasn't her, how did someone else have access to her accounts? In July 2023 Admiral asked Miss S for an update on the police investigation and in September 2023 they said they'd contacted her bank themselves who had confirmed the payments moving through her accounts hadn't been reported to them. In October 2023 Admiral again asked Miss S to confirm she had reported matters to her bank, they said their investigation couldn't continue if she hadn't. Miss S responded to say she had spoken to her bank who said they couldn't help as they just received the funds. Admiral then decided to hold Miss S liable for the loan.

I think the evidence is strong that Miss S knew about the loan long before it was reported to Admiral in March 2023. The numerous instances of contact between her and Admiral that I've outlined above support that being the case. However, this isn't conclusive in and of itself as I can understand why things might not have been reported sooner if Miss S was subjected to the types of threats she's described. But it isn't my role to investigate or make findings in relation to any potential crimes that Miss S may have been a victim of, that is for the police. I need to consider Admiral's actions and whether they've acted fairly and reasonably in all the circumstances. I think Admiral took reasonable steps when investigating Miss S' allegation. I think Miss S was given a fair opportunity to provide evidence to support that she had reported the outgoing payments to her bank. To date, I've not been provided with anything beyond Miss S' own testimony to support that this has happened. And I don't think this was an unreasonable request as it is key information that Admiral would've required to be able to investigate.

Admiral have also raised some concerns about some of the evidence Miss S has provided. This refers to text messages that she says are between her and her ex-boyfriend. Some of these only show one side of a conversation (the received messages). And another particularly important message (which seems to show the sender admitting taking the loan without her knowledge) looks like it was sent from a UK mobile number with 12 digits. Admiral say that UK based phone numbers typically only have 11 digits (and from what I've been able to research online, that appears to be correct).

I asked Miss S about only one side of the conversation being shown and also about the 12 digits. She says that she didn't delete her own messages, it's just that she was unable to reply as she was also speaking on the phone and couldn't respond in time. She also said

she wasn't sure why the number had 12 digits and that it must have been saved in her phone like that. The initial messages seem to cover two days in December 2022 and appear to show what looks like the recipient being coached through a bank's security checks when making a payment. And whilst not conclusive on its own, I agree that there being no outgoing messages at all during that time period in which over 50 messages are received is unusual. Particularly when one of the messages reads "Show me the call logs from when you started ringing them" and a message shortly afterwards says "Fair enough you just let me know when my things done." This suggests that call logs would have been shared, but there was nothing showing as being sent in the meantime. Similarly, Miss S didn't really provide a plausible explanation for why the message containing the admission about the loans seems to have come from a number with 12 digits. Taking all of this together, I don't think it's unreasonable for Admiral to have had some concerns as to the authenticity of the evidence Miss S has supplied.

I also asked Miss S for any evidence of her report to the police about what had happened, particularly given the seriousness of her having been potentially abused and assaulted. And I also asked about events having been reported to her bank. Miss S re-iterated her position but didn't provide any documentary evidence from either the police or her bank to support what has happened.

Taking everything together, I don't think Admiral were unreasonable to conclude that it's more likely than not that Miss S was involved in the taking out of the loan. I say this as whilst I understand the difficult situation Miss S has described, her having said different things at different times (in relation to when she first knew of the loan) does make it difficult for me to place a lot of weight on her testimony as reliable and credible evidence.

And whilst I accept there appears to have been an abusive relationship, I'm not persuaded by the evidence I've seen to date that the fair and reasonable outcome here is to direct Admiral to write off the loan as Miss S would like. Similarly just because the other lender decided to write off their loan, this doesn't obligate Admiral to do the same.

For completeness, I've considered Miss S' allegation that the loan was unaffordable for her. And having reviewed the checks conducted at the time and in the specific circumstances of this complaint, I'm not currently persuaded that Admiral failed to undertake reasonable and proportionate checks, prior to making their decision to lend. So I don't think they need to do more on that basis.

As I don't think Admiral have acted unfairly in the circumstances of this complaint, I'm not intending to require them to do more."

Admiral didn't respond to my provisional decision. Miss S provided a response which I'll address below.

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.

In response to my provisional decision Miss S said she reported matters to her bank in March 2023. She says she only found out it hadn't been dealt with by them when Admiral told her and that she re-reported it to the bank which was when she says she was told they couldn't help. She says she sent Admiral paper copies of the final findings from her bank and also the police.

Admiral's position when they issued their complaint response was that they hadn't had confirmation from Miss S' bank that the outgoing payments had been reported to them. And in September 2023, her bank told them it hadn't been reported. After Miss S' response to my provisional decision I asked Admiral to check their systems and they say they have no record of receiving the above information by post from Miss S.

Miss S also says that the initial calls she made to Admiral were under duress due to her ex-boyfriend and the threats he was making. She's re-iterated that she didn't benefit from the loan and shared her bank statements to show it leaving her account. She's also suggested that the additional digit in the phone number associated with the text message could be due to either an error, or her ex-boyfriend 'hacking her', something she says he's done before.

I've considered all Miss S has said in response to my provisional decision. And interestingly, part of the evidence she's sent in this time, shows the same key text message exchange which she says is between her and her ex-boyfriend. But this time, the number at the top has the correct number of digits and differs to what she's sent in previously. It looks like the screengrabs were taken at different times as the battery percentage on the phone is also different, and in one the phone looks like it was connected to Wifi and in the other '3G'.

It is difficult to understand how the number shown on a mobile phone, purporting to show the same evidence (but now with the correct number of digits at the top) has changed between the times Miss S has sent it to us. It suggests that at some point it was amended (and this was sent to us after the issue with the number of digits was highlighted). I'm not persuaded by Miss S' suggestion that this was an 'error' or that the most likely explanation is that her phone was remotely hacked. Miss S has had an opportunity to explain this, and I don't think she's provided a plausible explanation. This causes me to place less weight on Miss S' evidence as reliable and credible.

I accept there is some evidence to support what Miss S' says has gone on, particularly the pictures of her injuries which she says were at the hands of her ex-boyfriend. But alongside this Miss S has had a fair opportunity to provide further documentary evidence from either the police and or her bank, and she hasn't done so. And in line with what I've set out above, I do have concerns about the authenticity of some of the evidence Miss S has provided.

Miss S also re-iterated that she doesn't think Admiral did enough checks as it wasn't her who applied for the loan. I appreciate Miss S disputes this, but as I'm supportive of Admiral's conclusion that Miss S was involved in that loan application, I don't think any further checks would've made a difference as to the identity of the applicant.

I accept the evidence that the money Miss S received from Admiral was sent on to a third party. But that isn't in itself enough for me to say Admiral need to do more. If Miss S either didn't instruct those payments (or was tricked into making them), she may be able to speak to her bank about it (this seems to be what Admiral were seeking to ascertain). But I can't comment on the actions of Miss S' bank in this decision. The question for this complaint is whether it is fair and reasonable for Admiral to pursue Miss S for the loan funds that they paid into her account.

Having considered all Miss S has said, I still don't think the conclusion Admiral reached was unreasonable. I'm placing more weight on the documentary evidence from Admiral compared to what Miss S has told us and shared. And accordingly, there isn't a basis upon which I think it would be fair and reasonable to require Admiral to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 7 April 2025.

Richard Annandale
Ombudsman