

The complaint

Mr H complains that Vodafone Limited hasn't done enough to assist him after his ex-partner took out two agreements on his account without his permission. He wants the agreements removed from his credit file and the loans written off. He also wants compensation for the stress and anxiety he has been caused.

What happened

Mr H opened an account with Vodafone on behalf of his then partner in 2019. The account was set up with his partner's email address and she had use of the phone and made the payments under the agreement. Mr H has explained that he and his partner split up in 2021. In January 2023, Mr H said his ex-partner took out a fixed sum loan agreement with Vodafone for a phone and in December 2023, a further agreement for a smart watch. Mr H said he had no knowledge of these agreements being entered into at the time and they were entered into without his permission.

Mr H raised a fraud dispute on 5 February 2024. He explained he was unable to access the account as he didn't have the device to receive the access code. Mr H tried to contact his ex-partner to resolve the issue, but this wasn't successful. He said that adverse information had been recorded on his credit file.

Vodafone issued a final response to Mr H dated 2 September 2024. It noted Mr H's comment that he had visited a store in August 2024 to discuss the issues on his account and had been advised that a fraud had taken place, and that the active agreements could be nullified and his credit file amended. However, it said this information was incorrect. It said that Mr H had raised a fraud case in February 2024, and it had confirmed that there was no evidence of a fraud having taken place. It said that Mr H had allowed another person to use his account and so he was responsible for the agreements. It said this was a civil dispute and advised Mr H to contact the police.

Vodafone noted that it had updated Mr H's address and disconnected the previous phone contract. It said it could blacklist the devices on the account which Mr H said had already happened. It offered to disconnect the two devices and remove the early termination fees on the agreements. It advised Mr H of the remaining balances on the account and said it wasn't able to amend Mr H's credit file.

Mr H referred his complaint to this service.

Our investigator was satisfied that Mr H didn't take out, give his authority or even know about the credit agreements taken out in 2023. He recommended that the agreements be ended with nothing further to pay and be removed from Mr H's credit file. Our investigator noted the upset Mr H had been caused but also that this was mainly due to the actions of his ex-partner and only in part due to Vodafone's actions. Therefore, he recommended a payment of £150 for the trouble and upset.

Vodafone didn't agree with our investigator's view. It said that its website clearly set out details of how to protect personal data and said it was a given in regard to privacy that personal information should not be shared. It provided screenshots from its website which

noted that a customer was responsible for keeping their personal and account information secure and not sharing it with others. It said this case related to a third-party dispute and it couldn't be held liable where a customer had shared personal data with another party. Vodafone further noted that Mr H was made aware of the debt and balances in May 2023 but didn't follow up on this until the following year.

Our investigator considered Vodafone's comments and evidence, but this didn't change his view. He noted that the original account was opened in 2019 using Mr H's then partner's email and so it is clear she was the one using the account. Our investigator thought it understandable that Mr H would have assumed as he had taken a phone out for his partner that the online account would be used for managing the phone she had. He didn't believe that Mr H had given authority to his ex-partner to take out further agreements after this.

Vodafone provided a further response referring to the Financial Conduct Authority (FCA) website which said that if a customer shared their online log-in details with a third party they may be held responsible for any unauthorised transactions or commitments made by the third party. Vodafone said that Mr H had confirmed that he set up the account for his then partner and shared all login details so she could manage the account. It said that all correct security measures were passed before the new agreements were set up.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman to issue 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.

Mr H's complaint is about two fixed sum loans. They're regulated agreements and ones which this service has the power to consider complaints about. Both parties might find that I'll cover events in less detail than they were submitted to us. And I might not address every point that's been made. If that's the case, it's simply a reflection of the informal nature of this service. I also might not find some points material to the outcome, so I might not find it necessary to address every point in order to explain what I think a fair and reasonable outcome is.

In considering what I believe to be fair and reasonable in all the circumstances, I'm required to take into account relevant law, rules, guidance, codes of practice as well as what I consider to have been good industry practice at the time. However, while taking the above into account, my decision is based on what I consider fair and reasonable given the unique circumstances of the complaint.

When the evidence is incomplete, inconclusive or contradictory I make my decision on the balance of probabilities. That is, what I think is most likely to have happened given the available evidence and the wider circumstances.

Mr H has explained that he opened an account for his then partner in 2019 because she couldn't get credit in her name at that time. Vodafone has confirmed that no FCA regulated products were purchased at that time and that the first new loan agreement was set up in January 2023. Mr H said he only agreed to the initial contract and didn't give his partner authority to enter into further agreements. Looking at the evidence provided I can see that the account was set up using Mr H's partner's email address and her address (where Mr H was also living at the time). I find Mr H's testimony convincing about his reasons for setting up the account and the evidence supports the account being operated by Mr H's then partner.

No complaint has been raised about the 2019 account opening. However, in 2023 (January and December), after Mr H and his partner had split up, two new fixed sum loan agreements were taken out. Mr H has said he wasn't aware of any new agreements being taken out and it was only when he received notification about missed payments on his credit report that he became aware of the issue. Vodafone has provided copies of its account notes, and I can see that there were discussions about missed payments and Mr H has provided a copy of his credit file which shows a missed payment recorded in April 2023, in regard to the January 2023 agreement. Mr H contacted Vodafone asking about this in May 2023 which supports his testimony that he wasn't aware of this agreement until that time. While he tried to access the account as he didn't have the relevant details or access to the device to receive an access code, he didn't pass security. He then raised a query through the credit reference agency stating he didn't recognise the agreement.

I find Mr H's testimony that he wasn't aware of the January 2023 agreement (or the subsequent December 2023 agreement) convincing, and I think the evidence provided supports this. As his ex-partner had control of the account and was able to pass the security checks, she was able to take out the agreements.

As I find it reasonable to accept that Mr H didn't take out the two 2023 agreements, and didn't consent to these being taken out (and wasn't aware they had been taken out until after this had happened), I have then considered whether, by setting up the account for his then partner, he had given her apparent authority to enter into further agreements.

I note Vodafone's comment about Mr H having given his partner his account details and its suggestion this breached the terms, and that Mr H had given his partner apparent authority to enter new agreements. But I do not agree with this. I have looked through the information provided and cannot see any record of Mr H giving authority to another party to enter agreements on his behalf. The control of the mobile number associated with the account and the account details were all with his ex-partner. Mr H set up the account in that way, but I accept that he reasonably believed it would only be for the management of the 2019 agreement and that he wasn't aware, and hadn't consented to, his partner taking out new loan agreements in his name.

Vodafone has provided evidence to suggest the direct debits for the two 2023 agreements were set up in Mr H's name, but the account details noted are not shown in Mr H's credit report. On balance, I think this suggests that Mr H wasn't the owner of the account from which the payments were being made. Mr H has confirmed that his ex-partner made the payments. Looking through Mr H's credit file I can see that he managed his accounts well, with arrears only on the Vodafone accounts. So, in this case, I think the evidence provided points to Mr H not having given authority – actual or apparent – for the agreements in question. It follows then that I don't think Vodafone has acted fairly by holding Mr H responsible for those agreements.

Mr H has been caused distress and inconvenience due to the agreements being set up, but this was mainly due to the actions of his ex-partner not Vodafone. I also think that Mr H could have done more to have closed down the account following his awareness of the January 2023 agreement (and before the December 2023 agreement). That said, I also think that Vodafone could have taken more action to prevent the December 2023 agreement being taken out given the concerns that had been raised by that time. It also could have taken more positive steps to resolve the issue when Mr H made it clear he hadn't taken out the agreements. Therefore, I agree with our investigator's recommendation that Vodafone pay Mr H £150 compensation.

Putting things right

Vodafone Limited should:

- end the agreements with nothing further to pay;
- remove both the credit agreements (taken out in Mr H's name in 2023) from Mr H's credit file;
- pay £150 for the distress or inconvenience that Mr H has been caused.

My final decision

My final decision is that Vodafone Limited should take the actions set out above in resolution of this complaint.

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

Jane Archer
Ombudsman