

The complaint

Miss R has complained that EE Limited is holding her liable for a credit agreement she didn't take out.

What happened

The circumstances of the complaint are well known so I won't go over everything again in detail. But to summarise, Miss R said her ex-partner took out a credit agreement with EE for a device without her knowledge or permission. The agreement was entered into in September 2023. The device cost around £1,600 and the agreement was to be paid back over three years with monthly repayments of around £45. Miss R complained to EE in November 2023.

EE responded to say when Miss R first contacted it she said her partner had arranged to return the device, but this didn't happen. EE said the tracking number provided wasn't correct. It said in January 2024 Miss R spoke to it to discuss her bill and it told her additional charges were for third party charges for a number ending 942. It said Miss R spoke to it again in January to report the device stolen and to blacklist it. Miss R also reported the number ending 942 was taken out fraudulently. It noted her ex-partner had acknowledged he'd taken out the contracts fraudulently, but its fraud department deemed this not to be fraudulent activity. EE said the order was made online and her ex-partner had logged on to Miss R's account to do so. It said Miss R's ex-partner had access to her log-in credentials and so this wasn't classed as fraud.

Miss R decided to refer her complaint to the Financial Ombudsman. One of our investigators noted Miss R had said her ex-partner had access to her account and he ordered the device without her knowledge. He said Miss R had provided screenshots of a conversation she had with her ex-partner around the time the agreement was taken out. He said the messages indicated Miss R wasn't aware of the agreement being taken out. Our investigator said he thought Miss R's ex-partner misled her into thinking he'd returned the device to EE and provided falsified tracking information. He said Miss R had reported the matter to action fraud and the police. He noted her ex-partner had admitted in writing to taking out the agreement fraudulently. So he thought EE should cancel the agreement and remove it from her credit file. He thought EE should refund Miss R everything paid under the agreement and award £150 compensation. He also said he thought EE should cancel the associated airtime agreement.

EE didn't agree, so the complaint was passed to me to make a decision.

I decided to arrange for the investigator to write to the parties for more information. I wanted to know more about the account opening procedure from EE; details of the delivery; details relating to the associated airtime agreement; details of correspondence sent about the relevant credit agreement and the payments towards it; and whether EE was able to pursue Miss R's ex-partner for the debt.

From Miss R I wanted to know similar information, along with details of what had happened between herself and her ex-partner. I also wanted to see evidence of what had happened

with other lenders Miss R said her ex-partner had taken out accounts with in her name fraudulently.

I can't see EE responded, but Miss R did. She gave further details about what happened and said she'd been the victim of economic abuse. She said her ex-partner accessed her phone via her password using coercive and threatening behaviour and set up accounts with lenders. She said he stole from her and used money to gamble. She said she thought her partner set up and downloaded the EE app onto his device and that she changed her password in November 2023. She said she believed at the time the phone was returned and doesn't know who used it. She later realised she'd been misled. She said her ex-partner had intercepted lots of mail from lenders because he was at home during the day while she was teaching. She said he also used her identity to set up false email addresses. I won't go over everything else Miss R has told that'd happened with her ex-partner in this decision, but we've shared the information with EE. With regards to payments she'd made herself to EE she explained she'd paid some debts associated with her account in order to remove restrictions so she could continue using her own phone.

Miss R supplied several letters from different lenders acknowledging she was a victim of fraud and that credit was taken out without her knowledge. We shared Miss R's responses with EE, but I can't see we've received a response.

I issued a provisional decision that said:

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to resolve complaints quickly and with minimum formality. I want to assure Miss R and EE that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I first want to say I'm very sorry to hear about Miss R's circumstances. I can't imagine how she must feel, but I thank her for taking the time to bring her complaint.

EE is seeking payment from Miss R under a fixed sum loan agreement, and our service is able to deal with complaints relating to these sorts of agreements.

Like our investigator pointed out, the sorts of things I need to decide with this complaint is firstly whether Miss R agreed to enter into the agreement herself. And if not, whether she gave her ex-partner actual or apparent authority to enter into the agreement on her behalf.

Where parties contract in writing, their contractual intentions (including their identity) must be ascertained from the documentation which they contracted. If EE's offer was addressed to Miss R it's not open to acceptance from another party unless she authorised that other party to make the contract on her behalf.

I don't think Miss R took out the agreement herself. Her testimony about the circumstances has been consistent and credible. And based on the chat transcript between her and her ex-partner around the time the agreement was taken out, I think this shows she was unaware the agreement had been taken out until she was sent a notification. On balance I therefore don't think she took out the agreement herself.

I think it's also unlikely Miss R gave her ex-partner actual authority to take out the agreement with EE either. Having considered all the testimony and evidence, including her ex-partner's letter to EE saying he took the agreement out without her knowledge or permission, I think it's unlikely she gave him her actual authority to enter into the agreement.

The question of apparent authority is harder to answer. For there to be apparent authority in this case Miss R needed to have done or said something that amounts to a representation that EE can rely upon that her ex-partner had authority to contract on her behalf. That representation didn't need to be deliberate. It could be a statement as to her ex-partner's authority or something done of a more general nature – by placing her ex-partner in a position that would normally have given them authority to enter into the type of contract in question.

In Miss R's case she said her ex-partner used her password to access her phone. She said he used coercive and threatening behaviour to access it. Her partner said to EE that he had access to Miss R's post and documents and that he downloaded EE's app on his own device.

EE hasn't responded to our recent requests. I'm conscious I've not seen whether the application was made using Miss R's ex-partner's own device, or how he was able to set things up in the first place. Moreover, I've not seen whether Miss R was warned that by allowing someone else to have her log-in credentials, if that's what happened, they'd be able to enter into a credit agreement using those details, or whether that should have been obvious.

On balance, and based on the evidence I've seen, I think I'd like to have seen more to show Miss R held out her ex-partner as authorised to enter into the credit agreement on her behalf. I think it's more likely than not that her ex-partner entered into the agreement without her knowledge or permission. I think it's likely he either obtained her log-in credentials or ability to set up the app without her knowledge or through some sort of economic abuse. So I therefore don't find EE should fairly be able to hold her liable for the debt.

While we look at each complaint individually, I'm conscious Miss R has supplied details of several other lenders that have accepted credit was taken out fraudulently. I think this is likely indicative of what was happening at the time. Miss R has given us details of the crime reference number and the police officer's details as well. Miss R has been forthcoming with information when requested, and I've found her testimony to have been consistent and persuasive.

I've thought about how to put things right. I agree that the loan should be ended and EE should refund Miss R anything she has paid under the agreement. EE should also remove record of the agreement and any associated entries from her credit file. EE can decide if it wants to pursue the third party for the debt.

Our service doesn't generally deal with issues that solely relate to airtime agreements because those sorts of agreements don't relate to a financial service. I'm mindful that I can't see EE has responded to our request in relation to the airtime associated with the device bought under the credit agreement. But if there was a new airtime agreement set up it seems that this would have been alongside or as a consequence of the credit agreement. I think the fairest thing to do would be to say EE should also arrange to cancel that airtime agreement and reimburse Miss R any of the direct or indirect losses she'd made by paying money towards it. I think EE should also arrange to remove details of the airtime agreement from Miss R's credit file as well.

With regards to the compensation our investigator recommended, I'm conscious the main issue stems from Miss R's ex-partner taking out the agreement without her knowledge. EE would have thought it was dealing with Miss R herself, and it had some sort of protection in the knowledge the goods would have been sent to her. I do have to take that into account. But I think EE should have got to grips with things sooner. I can see her ex-partner wrote to EE in April 2024 to say he'd taken out the agreement without her knowledge. It likely ought

to have known there was an issue before this as well given the conversations at the beginning of the year. It wasn't until August 2024 that EE sent its final response letter. I therefore think the £150 compensation our investigator recommended seems broadly fair.

Miss R accepted the provisional decision. EE reiterated it thought the issue was a civil matter.

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.

Seeing as though neither party has submitted anything materially new for me to consider, I see no reason to depart from the conclusions I reached in my provisional decision.

My final decision

My final decision is that I uphold this complaint and direct EE Limited to:

- End the credit agreement and associated airtime agreement.
- Remove all records of the agreements from Miss R's credit file.
- Refund Miss R anything she has paid towards the agreements.
- Interest should be added to the above amounts at a rate of 8% a year simple from the date each payment was made to the date of settlement.
- Pay Miss R £150 compensation.

If EE considers it is required to deduct tax from my interest award it should provide Miss R a certificate of tax deduction so she may claim a refund from HMRC, if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 21 November 2025.

Simon Wingfield

Ombudsman