

## **The complaint**

Mr B complains about the outstanding amount owed under a fixed sum loan agreement, taken out with Virgin Media Mobile Finance Limited.

## **What happened**

In July 2022, Mr B took out a fixed sum loan agreement with Virgin to buy a brand new mobile telephone handset. The device had a cash price of around £430 and under the agreement, Mr B was scheduled to make monthly repayments of £12 over a three year period.

About a year later, Mr B says another device was delivered to his home. He says he became suspicious when soon after, he received a telephone call, asking him to send the handset to an unknown address. So, Mr B contacted Virgin to ask for help.

Virgin quickly identified that Mr B had been the victim of fraud and took the device back. Mr B says that he also asked Virgin for compensation for allowing the fraud to happen. He says Virgin agreed and they offered to waive the balance of the fixed sum loan, while allowing him to keep the original handset they had supplied. The following year, Mr B says he noticed that Virgin were sending him notices of arrears on the loan. So, he called Virgin to raise his concerns.

In their final response to Mr B's complaint, Virgin said they hadn't offered to waive the balance of the loan. But, they said they did offer to take the handset that Mr B got in 2022 back, and use the proceeds of its sale to repay the outstanding borrowing. Virgin also said that as Mr B didn't return his original handset, he remained responsible for the loan. Mr B didn't accept Virgin's response and brought his complaint to us.

One of our investigators looked into Mr B's case and found that Virgin had treated Mr B fairly. He couldn't see where Virgin had offered to waive the loan debt in the way that Mr B had described and said the attempted fraud was dealt with in a reasonable period of time. So, the investigator didn't require Virgin to take any further steps with Mr B's complaint.

Mr B didn't agree and said Virgin must have a copy of the call where he was told the loan would be ended as compensation for what had happened. He says Virgin should not be pursuing him for the outstanding debt.

The investigator didn't change his conclusions and Mr B's complaint has now been passed to me to make a final 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'm very aware that I've summarised this complaint very briefly, in less detail than has been provided, and largely in my own words. No discourtesy is intended by this. Instead, I've

focussed on what I think is at the heart of the matter here. Namely, did Virgin treat Mr B fairly when they asked him to repay the amount due under the fixed sum loan agreement?

If there's something I've not mentioned, I haven't ignored it. I've not commented on every individual detail. I've focussed on those that are central to me reaching what I think is the right outcome. This reflects the informal nature of our service as a free alternative to the courts.

This case is about a fixed sum loan that Mr B took out with Virgin. This loan is a regulated financial product. As such, we are able to consider complaints about these types of loans.

The crux of Mr B's complaint is that he says Virgin haven't put into place the compensation he says they agreed to. We've asked Virgin for call recordings from when Mr B spoke to them about the fraud in 2023. Virgin say while they don't keep copies of calls going back further than twelve months, they do have access to the call notes made by the advisor Mr B spoke to.

I've carefully considered Virgin's records from that time and I can see they offered to take back Mr B's original handset and allow him to exit the loan agreement. Indeed, I can see where Virgin sent Mr B a returns bag, for him to send the device back in October 2023. Neither Mr B nor Virgin's records say that he returned his original handset following that telephone call.

Having considered everything, I cannot see where Virgin expressed their offer in a way where Mr B could keep the handset, without repaying the loan. Additionally, Mr B hasn't provided a letter or other documents to show where Virgin might have offered to waive the loan balance as compensation.

On balance, I'm not persuaded that Virgin offered Mr B compensation in the way he has described, for the worry caused when he was the victim of fraud. Additionally, it seems fair that Mr B ought to pay for the handset he was supplied with in July 2022. So, I don't think it would be reasonable for me to now ask Virgin to waive the outstanding loan.

Turning to Virgin's handling of the fraud itself, I can see that they dealt with Mr B's concerns within a week of being made aware that a second loan had been opened in Mr B's name. Mr B himself had helped Virgin greatly here, by flagging the circumstances in good time. I've not seen where Virgin took any payments from Mr B in relation to the second loan and it doesn't seem they passed on any adverse information to impact Mr B's credit file.

So, after thinking carefully about all the evidence, I don't think Virgin's handling of Mr B's concerns about fraud meant they had treated him unfairly. So, I don't think Virgin should be required to make an additional payment to Mr B, in recognition of the distress he experienced. I say this as I need to keep in mind that the cause of any distress Mr B felt, was likely due to the fraudster themselves, rather than anything Virgin had done.

That said, I accept it must have been very upsetting for Mr B to discover he was the intended victim of an attempted fraud. I hope he's since received the support to deal with the impact of something like that. Given the passage of time, Mr B may have already reported the fraud to the Police. But, in all the circumstances, I think it's fair for Virgin to continue to hold Mr B responsible for the repayments due under the fixed sum loan agreement.

From what I've seen, it doesn't appear that Mr B has repaid the total amount due to Virgin. So, it may be that a balance remains owed by Mr B. In this instance, I remind Virgin of their responsibility to treat Mr B's current financial circumstances with due consideration and forbearance. This will mean working with Mr B, to make sure he is able to make affordable

repayments to any outstanding balance, should he be unable to make the regular loan payments.

**My final decision**

My final decision is that I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 January 2026.

Sam Wedderburn  
**Ombudsman**