

The complaint

Mr M complains that Lantern Debt Recovery Services Limited trading as Lantern (Lantern) haven't done enough to remedy the fact his data was accessed in an IT security incident they experienced.

What happened

Lantern experienced an IT security incident in April 2025. The incident saw a number of Lantern's customer's personal data accessed by a third party. Mr M was one of the affected customers.

When Lantern identified the incident they contacted the relevant bodies, such as the police and the Information Commissioner's office (ICO) and the Financial Conduct Authority (FCA) and began an internal investigation.

The investigation was initially to place a fix to stop the access to their system and then an in-depth look at what data was accessed and how many of their customers were affected. In November 2025 when their investigation was finished and they had all the information they needed; they contacted the affected customers – including Mr M.

Lantern explained what had happened - that some of Mr M's personal data may have been impacted, and what this meant. They went on to say how they had reacted to the incident and told Mr M they had arranged a complimentary twelve month subscription to a fraud monitoring and protection service so that he would be able to monitor his credit report with options for alerts when changes happen and access to other benefits that could assist him if his information was used to try to obtain credit.

Mr M was unhappy with this remedy and so complained to Lantern, he felt compensation was due because of the worry the incident had caused him. Lantern didn't uphold his complaint but gave him a more in-depth explanation about the incident and about the benefits of the subscription service they were offering to him and how it could help him.

Mr M remained unhappy and so brought his complaint to this service. Our investigator thought the remedy Lantern had offered was fair and so didn't uphold Mr M's complaint. Mr M disagreed and so the matter has been passed to me to decide.

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 realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

There is no dispute here about what has happened and so my role here is decide if the offer made by Lantern to provide the free monitoring service for twelve months is fair or if they need to do more.

In deciding this I'm assessing if Lantern have done all they can to put Mr M back in the position he would have been in but for the incident. I can't make an award for something that could happen in the future because at this stage that would be hypothetical and I can only consider what has actually happened.

Mr M would like to be compensated for the incident and has said that he now worries every time he receives an email, and that he is content that everyone is ok with others having his sensitive information (I have taken everyone to mean, our service, the ICO and the FCA, as these are the bodies the incident has been reported to).

I don't doubt being informed about the incident will have caused Mr M a level of concern. So I've thought about how Lantern's proposed remedy addresses that concern.

Lantern have said they've identified the incident was a ransomware attack aimed at disrupting their business rather than targeting individual's data. They have also confirmed there is no evidence that Mr M's data or that of any of their customer's had been misused, sold, posted online or leaked. I think this supports what they were saying about Lantern being the target rather than the information itself being taken to be used in an unlawful way, although I accept this can't be ruled out.

To mitigate this, the monitoring service Lantern have provided to help Mr M protect himself in the future is very comprehensive. Lantern have explained it includes a feature that scans online sources looking for the data and that Mr M would be alerted if his data was found online; and if that happened a specialist team would support him and advise him of the most effective ways to stay protected.

Monetary awards aren't always the most appropriate solution and in this case I'm satisfied the remedy Lantern have put in place will do more to protect Mr M from harm and worry than a monetary award could. That's not to say that, in Mr M's words, anyone is happy this happened it just means I think the remedy Lantern has put in place goes as close as possible to putting Mr M back in the position he would have been in but for the incident. It follows I won't be asking them to do anything more here to put things right for Mr M.

I realise that this isn't the outcome Mr M was hoping for and that he may be disappointed by it. But my decision ends what we – in trying to resolve his dispute with Lantern – can do for him.

My final decision

For the reasons set out above my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 January 2026.

Amber Mortimer
Ombudsman