

The complaint

Mrs M complains Hastings Financial Services Limited trading as Hastings Direct Loans (Hastings) has held her liable for a loan that she did not agree to.

What happened

Mrs M says she fell victim to a scam after expressing an interest in a cryptocurrency investment opportunity.

She says she originally invested £250 using her credit card in June 2024 and was then contacted by someone who she believed was a trader.

She says she was asked to download the AnyDesk app on her phone which allowed the so-called trader access to her device.

Mrs M says she didn't knowingly apply for a loan with Hastings and only realised something was wrong when she saw a payment towards a loan leave her bank account.

Mrs M says she contacted her main bank account provider – where the loan funds had been deposited – who started an investigation into the matter. She says it referred her to Action Fraud and told her to contact Hastings so that it may assist her.

On raising concerns, Hastings held Mrs M liable for the loan.

Hastings explained the application for £15,000 was made on 24 September 2024, using Mrs M's personal information, and the funds were subsequently deposited into her bank account some days later and then transferred away.

Mrs M has brought her complaint against Hastings to this service along with other complaints relating to loan applications made with other loan providers, that she also says she had no knowledge of. Mrs M states that all the applications were part of the same scam and that the fraudster used her identification – passport and driving license to procure the loan.

Our investigator considered Mrs M's complaint against Hastings but did not uphold it. She was of the view that Mrs M had an awareness of the loan and it being deposited into her account.

As Mrs M remained unhappy with the outcome, she asked an ombudsman to consider her complaint.

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.

Having done so, I've reached the same outcome as our investigator for broadly the same reasons, in that it is reasonable for Hastings to pursue Mrs M for the loan.

I realise this will be upsetting for Mrs M to hear. I acknowledge Mrs M has been through a difficult experience and that it has been very distressing for her to realise she has been a victim of an elaborate scam and she has my sympathy. I appreciate this matter has added to an already difficult time. I hope she is getting the support she needs. But it's worth keeping in mind that it's ultimately the scammers who are primarily responsible for the loss Mrs M has experienced. And in this case, I can only consider what Mrs M and Hastings are responsible for.

On considering this matter, my focus has been on the actions of Hastings and whether it acted reasonably towards Mrs M. In doing so, I've carefully reviewed all the evidence presented, to get an understanding of what happened so I can understand the sequence of events fully.

I've also considered Mrs M's very detailed submissions and I'm very aware that I've summarised this complaint in far less detail than Mrs M has. But I'd like to assure Mrs M, I've focused on what I think are the key issues here.

Firstly, existing consumer credit legislation states that a customer can't be held liable for a loan if it was taken out by an unauthorised party. So, what I must consider here is whether Mrs M applied for the loan with Hastings herself or authorised someone else to do so on her behalf.

Mrs M says she downloaded remote access software - AnyDesk – on to her phone via a link sent to her by the scammer. But it seems she did not realise it was for the purpose of making a loan application in her name. Mrs M mentions she uploaded her Identification documents based on instructions she was given by the scammer but was under the impression they were being used to open an account in her name.

On reviewing what Hastings has evidenced, along with other evidence provided on the other complaints Mrs M has brought to this service, it seems like there is some inconsistency with her version of events.

I note Mrs M provided screenshots of WhatsApp messages between herself and the scammers - which were presented as evidence – that allude to Mrs M herself transferring money and having an awareness of a direct debit being set up to repay a loan taken out with another provider in her name, some weeks prior to the one taken with Hastings.

This seems to contradict what Mrs M says about the loan being applied for without her knowledge or consent and then transferred into her bank account.

Hastings has also provided further information detailing its loan process and says the application passed all creditworthiness, affordability and fraud prevention checks prior to funds being released into a bank account confirmed as belonging to Mrs M on 25th September 2024.

The checks at application stage included credit referencing agency data (including past credit performance), internal data, income and bank verification, fraud databases (including CIFAS and SIRA) and data to approximate living expenses. And Hastings states that none of its checks flagged any concerns and the details used to apply for the loan were confirmed as accurate for Mrs M – which included her telephone number, address and email address.

On considering the application of the loan and given Mrs M's circumstances, I have further reviewed the information presented by Hastings. And having done so I am satisfied that the checks conducted were reasonable and proportionate.

Hastings also mentions that despite it liaising with Mrs M's bank, it was confirmed that no loan funds remained in her account.

Mrs M mentions she should not be held liable for the loan, in the sense that she did not agree to any loan agreement with Hastings. With the benefit of hindsight and realising that she's been the victim of an elaborate scam, I can understand why Mrs M thinks that. But the issue here is that at the time of the application, as far as Hastings was concerned, it was a legitimate application where the loan funds were released to an existing account in her name.

Based on what I have seen, I also can't see that Hastings had any reason to think it wasn't Mrs M applying for this loan. I appreciate that Mrs M says she had recently been made redundant and so her income details were not accurate. But her correct personal details were provided, the funds were to be paid to her genuine bank account, a direct debit mandate was set up, and the application passed all the checks. So, I'm not persuaded there was cause for Hastings to suspect anything untoward.

Even if I were to accept that Mrs M might not have physically submitted the loan application herself, according to the evidence presented, I remain satisfied she enabled access to her personal information so allowing someone to do so on her behalf. So, it would be fair and reasonable for Hastings to hold her responsible as she had the opportunity to stop and question the loan application and to stop it being spent. And it's clear that instead she allowed the transfer of the loan funds once they were received into her account into the investment – albeit later realising it wasn't a legitimate investment.

Given everything presented, I also do not think Hastings would have been alerted to anything to suggest that the loan was being applied for because of a scam. And I think Hastings acted in good faith, based on the information it was given when approving the application.

As I can't fairly hold Hastings responsible, I cannot reasonably tell them to write off the loan in these circumstances.

Finally, I appreciate what Mrs M has mentioned about another loan provider having reimbursed her for a loan taken out in her name as part of this matter, and I am glad to hear Mrs M has achieved some resolutions to her concerns. But I want to clarify that this does not influence my decision here. All cases are considered independently by this service and are based on their own merits and require consideration of all the facts presented by all parties involved. Here I have considered what I think is fair and reasonable based on all the evidence presented by Hastings and Mrs M that is specific to these circumstances.

I am aware this has been a very difficult time for Mrs M and that the impact of the scam has been significant, and I'd like to assure her I haven't taken this decision lightly. But taking everything into account, as I believe it's most likely Mrs M had an awareness of the loan application and allowed it to proceed, I can't fairly say Hastings has acted unreasonably in holding her responsible for repaying it.

Hastings, however, must be mindful of the position Mrs M finds herself in. I would expect it to be sympathetic to her and consider her circumstances and support with establishing a plan which will help her manage and meet her financial obligations.

My final decision

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 27 April 2026.

Sukhdeep Judge
Ombudsman