

The complaint

Mr Y complains that Tesco Personal Finance Plc are holding him liable for the debt on a credit card which he says he didn't apply for or use.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In 2020 Mr Y reported to Tesco that the credit card in his name had been taken out by his wife. He didn't want to be held liable for the outstanding balance of around £8,000. Tesco investigated and concluded that the debt was Mr Y's. In 2022 Mr Y complained about Tesco's decision to hold him liable. Tesco looked into things and when they maintained their position, Mr Y referred his complaint to our service.

One of our Investigators didn't recommend that the complaint should be upheld. She didn't think the conclusion that Tesco had reached was unfair or unreasonable. Mr Y disagrees and has asked for an Ombudsman to make 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.

Having done so, I've reached the same outcome as our Investigator and for largely the same reasons. I know this will be disappointing for Mr Y, so I'll explain why. In reaching my decision, I've also considered Mr Y's personal circumstances, but this doesn't change my mind as to the outcome of the complaint.

Mr Y's testimony is that his now ex-wife took out the card in his name without his knowledge or agreement. He says he hasn't benefitted from any of the spending on the card and has been left with the debt. He says his ex-wife handled all the finances and that he didn't discover this card until March 2020 (at which point it had already been open for a few years).

The evidence from Tesco shows that they'd received contact from Mr Y in relation to payments made on this card at a time when he says he had no knowledge of it. One example of this is that a claim was made under the protections available to purchases using credit in 2019. The notes of a call at the time include references to speaking to the cardholder (Mr Y himself). I think it's most likely that this was Mr Y on that call. And this contradicts his testimony that he didn't know about the card until March 2020.

There is also another instance in March 2019 where Tesco sought to confirm a money transfer from the card as genuine. The call notes record that they spoke to Mr Y and during that call it was confirmed that they had his wife's mobile number on file and this was removed. Again, I think it's most likely this was Mr Y, as if it had been his ex-wife

impersonating him, it would seem unusual for her to have requested the removal of her own number from the account.

The account that the direct debits making payments to the card came from, was a joint account that Mr Y was a party to. Tesco have also pointed out that many of the payments, and at least one balance transfer on the card went to accounts or businesses with which Mr Y was associated. I appreciate that Mr Y says his ex-wife handled all these matters and that he'd consented to her doing so on his behalf. But overall, I'm more persuaded by the evidence from Tesco than by Mr Y's testimony.

I don't think the conclusion Tesco reached is unfair nor unreasonable. The evidence supports that Mr Y either applied for the card or agreed for his then wife to do so on his behalf. It also supports that he was using the card prior to the point at which he says he became aware of its existence. In these circumstances, there isn't a reasonable basis upon which I can direct that Tesco need to do anything further to resolve this complaint. I'd expect Tesco to treat Mr Y positively and sympathetically in relation to any outstanding debt.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 13 September 2023.

Richard Annandale
Ombudsman