

The complaint

Mr A complains Provident Personal Credit Limited, trading as Satsuma Loans, is unfairly holding him responsible for a loan which he did not apply for. He would like to repay the loan - but without any interest.

What happened

Mr A complained to his bank when he noticed payments towards a Satsuma loan were being made from his account. These payments were returned by his bank and Mr A then complained to Satsuma. He said he had not applied for the loan. He also told this service he offered to pay the money back straight away but without any interest added.

Satsuma did not uphold his complaint. It said it was satisfied Mr A had applied for the loan and was holding him liable for the repayment – including the interest accrued.

When Mr A came to this service, our investigator didn't think he could ask Satsuma to do anymore – so the matter was passed to me for 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 haven't seen anything to suggest Satsuma has been unfair or unreasonable in how it dealt with Mr A's complaint.

The application for the loan was made using Mr A's details and the money was paid into Mr A's bank account. I can't see why a fraudster would do that. I also note Mr A did not complain about the money going *in* to his account – rather just when the payments were taken out. I think Mr A would have noticed a credit of £400 to his account when it was made.

Mr A accepts he has had the benefit of the loan because he used the funds – and I am pleased to see that he has offered a repayment plan with Satsuma to pay the loan back.

I've thought about whether Satsuma is being unfair in asking Mr A to repay the interest on the loan as well as the loan itself – and I don't think it is being unfair. I think Mr A applied for this loan so should be liable for the full amount.

My final decision

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 A to accept or reject my decision before 23 October 2020.

Shazia Ahmed

Ombudsman