

## The complaint

Mr S complains that Provident Personal Credit Limited are holding him liable for three loans which he says he didn't take out.

## What happened

In 2016 three loans were taken out in Mr S's name with Provident - £500 in April 2016, £600 in July 2016 and £600 in August 2016. No payments were made to these loans.

Mr S received letters from a debt collection agency several years later, saying he owed it money for these Provident accounts. At that time Mr S contacted Provident to say he did not recognise the loans. Mr S thinks that someone he knows may have taken the loans out in his name – I'll call this person Miss A.

Provident reviewed Mr S's complaint but didn't uphold it. They thought, on balance Mr S likely consented to the loans – and therefore should be held liable for them. Specifically, Provident said:

- Mr S had previous loans with Provident which had been settled
- It had previously been told by Mr S in 2015 that it could deal with Miss A regarding his account
- Mr S had spoken to Provident in 2016 about not being able to make payments to the loans

Mr S wasn't happy with Provident's response, so complained to our service.

One of our Investigator's looked into what had happened, they did not think it was reasonable for Provident to hold Mr S liable for these loans and so recommended that any record of the loans be wiped from Mr S's credit file and the balances written off.

Provident did not respond to the Investigator's findings so this case has been passed to me for 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 conclusions as our Investigator and for largely the same reasons.

A customer can't be held liable for a credit agreement they didn't consent to. So, I need to determine on balance whether Mr S consented to these loans. Having done so I don't think Mr S did – I say this because:

- I've seen the details Provident recorded when it opened the accounts in Mr S's name. The email address given is clearly in someone else's name – apparently that of Miss A.
- Mr S has provided bank statements which show his current account was operating well with a credit balance during this period, so there's no clear reason as to why he would have taken out these loans – which all had high interest rates.
- Provident has said it spoke to Mr S about these loans in 2016 but has not provided us with any evidence to support that.
- Provident has provided a phone note from 2015 which records that Mr S had said Miss A could talk to Provident about his accounts, but even if that is the case that would not mean Miss A was entitled to later open new accounts on Mr S's behalf.

Each of these issues alone may not have caused me concern, but as a wider picture, this evidence gives me serious concerns about whether the loan accounts were legitimately opened by Mr S. And Provident's lack of response to our Investigator's findings means that no further evidence has been presented that might change my mind.

For the reasons I've outlined above I'm not satisfied that there is adequate evidence to show that Mr S consented to these loans, so it follows that I do not consider Provident are entitled to hold Mr S liable for them.

### **Putting things right**

To resolve this complaint Provident should:

- Write off the loans opened in 2016 in Mr S's name
- Remove any reference to the 2016 loans from Mr S's credit file

### **My final decision**

I uphold this complaint, Provident Personal Credit Limited should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 January 2023.

Sophie Mitchell  
**Ombudsman**