

## **The complaint**

Mr G complains that a credit agreement set up by Premium Credit Limited ("Premium Credit") was set up in his name without his knowledge or authorisation when it should have been set up for his daughter.

## **What happened**

An insurance company who we will call Company A contacted Premium Credit in May 2023 and supplied them with details to set up a credit agreement to allow Mr G to make monthly payments for an insurance policy. Company A supplied the customer details and contact details for this to be arranged following them setting up the insurance policy.

Shortly afterwards Premium credit wrote to Mr G at the contact details they had been supplied to say that the bank account details they had been supplied were invalid. They received updated bank details and confirmed these in a further letter. They then sent an email to the email address supplied chasing up the electronic signing of the credit agreement. Eventually, after several emails chasing this, it was electronically signed around the end of May 2023.

Mr G contacted Premium Credit in August 2023 to say he hadn't authorised Premium Credit to set this credit agreement up, and wanted it removed from his credit file. He formally complained, and on 1 September 2023 Mr G was told that as Company A had supplied the details to set the agreement up, his complaint would need to be answered by them, so Premium Credit had forwarded it to them to answer.

Several weeks later in October 2023, Mr G emailed Premium Credit to say he wasn't happy with this as a resolution to the complaint, and conversations were held on the phone. On 25 October 2023 Premium Credit issued their final response letter (FRL) for the complaint to them.

Premium Credit explained in it that they had relied on Company A supplying them with the correct information, and whilst they didn't uphold the complaint, they offered £50 as a gesture of goodwill for the time it had taken Mr G to try to resolve things on the phone with them.

Mr G declined to accept the £50 and brought the complaint to our service. Premium Credit have also confirmed that the credit policy has since been cancelled and removed from Mr G's credit file.

An investigator here investigated the complaint and didn't uphold it. They said that there was no evidence of Mr G or his daughter contacting Premium Credit to say the address or email address details were wrong in May 2023, and someone had electronically clicked to accept the details and the agreement when it had been sent to that email address. They confirmed that as the contact details for Mr G had been supplied by Company A, and there had been various letters and emails sent in May 2023 which culminated in the agreement being electronically signed, they didn't feel Premium Credit had done anything wrong.

Mr G didn't agree with this and requested an Ombudsman make a final decision on the complaint. He said that it was not right that his daughter was able to take a loan out in someone else's name with Premium Credit with no due diligence checks being carried out, and no attempt to validate the person's ID, address, or phone number. The case has come to me therefore 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time. Mr G was supplied with a regulated consumer credit agreement which means we're able to investigate complaints about it.

Fundamentally, I don't feel Mr G has a valid complaint here against Premium Credit. He is citing concerns about something being set up in his name on behalf of his daughter, with the wrong contact details. The details were all supplied by Company A, and I am aware he has pursued a complaint with them once it was forwarded to them by Premium Credit.

I am unclear whether his daughter has set a policy up on his behalf without his knowledge, or whether he has been involved in that and just didn't realise that the monthly payments for the insurance policy would require a credit agreement to be set up with Premium Credit in his name.

But whatever the reality of this, any error if there is one lies with Company A. Premium Credit have carried out checks on the details provided to them by Company A, decided the policy was affordable to Mr G, and set it up, confirming all the details to the email address and postal address for Mr G supplied to them by Company A.

I have seen the email from Premium Credit to Company A, which says that Mr G was complaining that the agreement was in his name and should have been in his daughter's name. It's unclear why, if this agreement was supposed to be taken out by his daughter, why Premium Credit have been supplied with Mr G's name and details by Company A. It's also unclear why the daughter hasn't either informed her father that she was receiving the policy details in his name, or informed Premium Credit that they had the wrong contact details for this. Similarly, it's not clear why the electronic acceptance for this credit agreement was signed if it had been sent to the wrong email address, belonging to his daughter.

Once Mr G has complained, Premium Credit have explained to him that Company A will need to answer this complaint. And when he's come back to them and insisted Premium Credit answer for their part in it, they've done so, apologising for any poor service he's received from them, and ultimately, have also ended the agreement with Mr G when he has asked to, including then removing the agreement from his credit file.

Company A have taken all the details to set up an insurance policy and sent the relevant details to Premium Credit to ask them if they can provide the finance to allow the customer to pay monthly for the insurance policy. Premium Credit's part in this is limited, and they

have reasonably assumed that the details provided to them by Company A are accurate. I can't comment on what Company A have got right or wrong, because that's clearly a separate complaint which Mr G has raised with them directly.

Premium Credit have checked these details for affordability, deemed the agreement affordable to Mr G, and set it up. They've confirmed all this to the contact details for Mr G provided to them by Company A and begun taking payments from the bank account supplied to them as part of this process. Several months later, Mr G has contacted them asking why it's been set up and he's being charged for it.

Any error here is by Company A. Premium Credit have taken the details supplied to them in good faith by Company A, and set the agreement up based on those details. When Mr G has contacted them to complain, they've correctly referred his complaint to Company A, and when he's insisted they answer it themselves as well, they've done so fairly, and gone on to cancel the policy for him and remove the record of it from his credit file.

I don't see that Mr G has suffered any detriment caused by Premium Credit, and when he raised the issues, he has confirmed he wanted the policy to continue. Therefore, I am satisfied that Premium Credit have provided Mr G with a fair response to his complaint, and I won't be asking them to do any more here.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 28 June 2024.

Paul Cronin  
**Ombudsman**