

complaint

Mr S complains that Provident Personal Credit Limited has asked him to pay for loans he didn't take out.

background

Provident says Mr S took out four loans with it between January 2014 and July 2015. The first two were paid back some time ago, but there's still money owing on the final two.

Mr S got in touch with Provident in 2015, which is when he says it started asking him for payments. He said he hadn't taken out the loans, he hadn't received any money from them, and he hadn't made any payments.

In looking into the matter, Provident said it had visited Mr S at his home and he'd accepted he signed the loan agreements. It decided this meant Mr S hadn't been a victim of fraud and he was responsible for the loans. It also said it understood he might have given some or all of the loan money to someone else, but that was Mr S's own personal arrangement.

Mr S got in touch with us. Our adjudicator thought Mr S hadn't been consistent about what had happened. She said he'd accepted the signatures on the loan documents looked like his, and she found it odd that someone else might have been paying for loans that weren't theirs. She thought Mr S probably knew about or agreed to the loans. So she decided she couldn't fairly tell Provident not to hold him responsible for them.

Mr S asked for a review. He said his ex-partner had taken out the loans, and she must either have copied his signature or tricked him into signing the loan papers. He also said no-one from Provident had visited him at home when the loans were taken out, or to ask for payments. He was firm that these weren't his loans. He said he understood the agent who'd arranged the loans didn't even cover the area he lives in.

my findings

I've considered all the available evidence and arguments – including recordings of Mr S's phone conversations with us – to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same overall conclusion as the adjudicator.

I'm satisfied that the loans in question were all taken out in Mr S's name. Mr S has accepted the signatures on the loan agreements look like his. That alone doesn't necessarily mean that he knew about or agreed to the loans. As Mr S has said, he could have been tricked into signing, or someone might have forged his signature.

I've looked at what Provident has said about how it sets up these loans and collects payments. All the loans were on home credit, so Provident says its agents visited Mr S at home to discuss and set up the loans. It says its agents then made home visits to collect payments.

Provident's records satisfy me that two different agents arranged the loans. The loan papers show that both agents signed to confirm they'd witnessed Mr S signing for the loans at his home. The first agent noted the details of Mr S's council tax bill on the papers to show she'd checked Mr S's identity. Provident says it interviewed the agent who arranged the last three

loans, and he was able to describe what Mr S looks like, as well as the usual process for setting up these sorts of loans.

In the circumstances, I think it unlikely that two different Provident agents colluded with Mr S's ex-partner so she could get the loans in his name without him knowing. It does appear that Mr S's ex-partner was paying the loans, and I note that her e-mail address was used in connection with the final loan. But that seems to me to have been an arrangement between Mr S and his ex-partner, and I don't think it stops Provident from holding Mr S responsible for the loans.

I recognise that Mr S feels strongly about this matter, and that he'll be disappointed with my decision. However, in all the circumstances, I think it's most likely that he agreed to the loans. So I can't fairly tell Provident it shouldn't have asked him for payment or sold the debts on.

my final decision

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 S to accept or reject my decision before 19 September 2016

Janet Millington
ombudsman