

complaint

Mr J has complained that Provident Personal Credit Limited is pursuing him for a number of loans that he did not take out.

background

A series of short term, high interest loans were take out in Mr J's name, and the funds withdrawn from his bank account. Unfortunately, it seems his wallet was taken, and his PIN number was with his bank card. This enabled the fraudster to withdraw the funds from Mr J's account, after fraudulently applying for the loans in Mr J's name.

Provident does not accept that there was any fraud, although it agrees that the voice on a call recording is not Mr J's.

Our adjudicator did not recommend that the complaint should be upheld, as he was satisfied that Mr J did not take out the loans and did not have the benefit of the funds.

The complaint has now been passed to me for my final decision.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I accept that it was unwise of Mr J to keep his PIN with his bank card. That said, I can also see why he did not notice that money was entering and leaving his account. He has explained, and I accept, that he had no reason to check it as he was a student with no income. I am also satisfied, from Mr J's account of events and from the unknown caller on the telephone, that Mr J was defrauded. There are many methods a fraudster can use to find out people's personal details when applying for fraudulent loans or other financial products.

Although Mr J leaving his PIN with his card meant the fraudster could access the funds, I agree with the adjudicator that this is a separate issue from that of the loans being taken out. I consider the key issue to be whether or not Mr J should be held responsible for loans he did not take out. I do not think he should. This is because I have seen no evidence that he either authorised the loans, or had the benefit of any of the funds. Relevant to this point is that it seems Mr J was the victim of a number of other financial frauds at the same time.

my final decision

For the reasons given above, it is my final decision to uphold this complaint. I require Provident Personal Credit Limited Provident to stop pursuing Mr J for repayment of the loans (and any associated fees and charges, if any), and remove any entries made on his credit file in respect of these loans.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr J to accept or reject my decision before 9 July 2015.

Elspeth Wood
ombudsman