

The complaint

Miss F complains Santander UK Plc is holding her liable for a loan which she says was taken out in her name without her knowledge or consent.

What happened

Miss F received a call from someone I'll refer to as "the scammer" who claimed to work for Company C. The scammer said they'd be able to help Miss F clear her existing unsecured debt if she could pay 40% of the amount up front. She subsequently withdrew cash from Bank B and gave it to someone who visited her home address.

Miss F says she first learned about the loan when she discovered £15,000 had been paid into Bank B. She contacted Santander to tell it she had no knowledge of the loan application, but Santander held her liable for the loan.

It said the loan application was completed online and before any funds were released, a letter was sent to Miss F's home address containing details of the loan and a PIN code which had to be entered before the funds were released.

Miss F wasn't satisfied and so she complained to this service. She said she didn't apply for the loan or give anyone permission to do it on her behalf, and she didn't receive a letter with a PIN code.

Responding to the complaint, Santander said its agent spoke to Miss F courteously and wasn't rude or unprofessional. It said she must have been involved in the loan application because it sent an email to her validated email address, and whoever applied for the loan would have needed to enter the authentication PIN Code it sent out in the post, which was entered using Miss F's profile on 24 April at 18:27pm.

Our investigator didn't think the complaint should be upheld. She was satisfied that a letter was sent to Miss F's correct address and that the PIN was entered into Santander's system to complete the loan application. She commented that the PIN couldn't have been accessed in any other way and that there was no plausible explanation for how the loan application was completed unless she entered the PIN herself or passed it on to a third party. So, she was satisfied she had known about the loan.

Miss F wasn't satisfied and has asked for her complaint to be reviewed by an Ombudsman. She maintains she didn't know about the loan until she checked her direct debits at the end of the month, she didn't receive the PIN, and she wasn't at home when the PIN was entered.

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.

In this case, my first consideration is: did Miss F enter into this loan agreement, or was it done without her knowledge and consent as she alleges?

Having considered this carefully, I think it's most likely the loan was taken out by scammer's using personal information which Miss F gave to them and that this was done with her knowledge and consent, so she did enter into the agreement with Santander.

I say this because the loan funds were paid into an account Miss F held with Bank B, from where she then withdrew cash to give to the scammer, which is consistent with her having been tricked into borrowing funds to carry out the scammer's instructions. In addition, whoever applied for the loan entered the PIN that was sent by letter to Miss F's home address, and the only plausible explanation for how a scammer knew the PIN was if Miss F gave it to them. So, I'm satisfied, on balance, that she knew the loan was being applied for in her name.

Because I'm satisfied that Miss F knew about and consented to the loan, think Santander should hold her to the terms of the loan agreement.

My final decision

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 16 October 2025.

Carolyn Bonnell
Ombudsman