

The complaint

Mrs O has complained about the way Payment Assist Limited treated her in relation to a credit agreement.

What happened

The circumstances of the complaint are well known to the parties, so I'm not going to go over everything again in detail. But, to summarise, Mrs O referred a complaint to the Financial Ombudsman in September 2024. She said her primary concern was that Payment Assist processed a loan in her name without her knowledge or consent in October 2022. She said the situation arose after she engaged with a training course provider I'll call "E". She acknowledged she spoke to E and said it sold her a course that was promised as practical, but it turned out to be a theory course. She said she opted out of the course, but E insisted she needed to pay because she was outside of the cooling off period. It offered a partial refund. Payment Assist didn't agree to cancel the agreement and suggested Mrs O speak to E. The fixed sum loan agreement was for around £2,800 to be paid back over two years.

Mrs O said she was misled into thinking she was signing up to a straight-forward instalment plan that she could cancel any time. She said she only discovered she'd entered into a credit agreement when she began receiving contact from Payment Assist. She said key information about the agreement wasn't communicated to her; she was rushed through the application; and felt pressured. She said she only saw the credit agreement documentation with her details on in 2024. She said her details were manipulated to support the loan application.

To resolve the complaint Mrs O requested Payment Assist end the loan; refund monies paid towards it; pay compensation; and for it to send clear communication regarding her rights and next steps to prevent similar issues in the future.

Payment Assist had responded to Mrs O's complaint. It explained more about how the application worked, and that it relied on information Mrs O had supplied. It said it could provide evidence Mrs O set up the agreement through her email and that she provided information for it to proceed. It said Mrs O made payment towards the agreement for a couple of months and that the training course material was accessed. Payment Assist said it would be willing to set up an arrangement with Mrs O.

One of our investigators looked into things but didn't make any recommendations. Mrs O responded to say, in summary, she didn't sign any documents, and the e-signature on the Payment Assist agreement didn't match other agreements she'd signed. She said the document was signed by E and that the use of a VPN may have masked the user's true location. She said she didn't provide proof of residence for five years and asked our investigator to obtain a transcript of the conversation from her phone provider. She reiterated she'd not accessed any documents and wanted evidence to support that. She said she was well versed in financial documentation and couldn't understand how Payment Assist granted a loan without proper documentation. She said she didn't redeem a voucher our investigator had mentioned and her first class wasn't until December 2022, after the cooling off period had expired. She questioned why Payment Assist didn't send her certain information.

As the complaint wasn't resolved, it's been passed to me to decide.

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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mrs O and Payment Assist that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Where the evidence is incomplete or inconclusive (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Payment Assist is seeking money from Mrs O under a regulated fixed sum loan agreement and our service is able to consider complaints relating to these sorts of agreements.

I think it's important to note that I'm primarily required to consider what happened up to the point Payment Assist sent its final response letter because the events preceding this relate to what it's had the chance to formally consider. Mrs O has mentioned further issues since then but, for the purposes of this decision, I'm going to mainly focus on what led to the August 2024 final response letter:

- Lack of authorisation.
- Absence of required documentation.
- Continuous payment authority.
- Relationship with E.
- Incomplete or missing information.

I think it's also important to note that I'm considering a complaint against Payment Assist, and not E. Payment Assist is a separate firm to E and so I'm focussing on how Payment Assist has acted. I need to consider how Payment Assist responded based on what Mrs O said and was able to supply to it. There are limited avenues for me to consider against a financial services provider. It's not responsible for everything that may have gone wrong with E.

Having considered everything Mrs O has said, while I'm sorry to hear she's unhappy, on balance, I think she likely did agree to the credit agreement. I think it more likely than not that the agreement was sent to Mrs O to sign. The core contact details match Mrs O's details. The audit trail on the fixed sum loan agreement shows Mrs O's email address. And the further audit trail that Payment Assist provided includes Mrs O's contact details.

I don't think I can safely conclude the most likely thing to have happened is the agreement or audit trail have somehow been manipulated or that the agreement was signed by another party. I think it more likely than not that Payment Assist sent Mrs O the agreement and she signed it. This includes the declaration relating to her agreeing to the continuous payment authority terms as well. The fact Mrs O paid the agreement for a couple of months supports this. I don't think the font type used in the e-signature being different to other e-signatures Mrs O acknowledges were signed means that Payment Assist can't rely on it in concluding

she accepted the terms of the agreement. I think Payment Assist had enough information to decide whether it wished to lend to Mrs O, and that it was dealing directly with her. What this means is that I don't think Payment Assist is acting unfairly by holding Mrs O liable for the credit agreement.

It's not in dispute Mrs O didn't withdraw from the agreement within 14 days and so I don't find there's grounds to say Payment Assist should have allowed her to withdraw from it. Mrs O questioned why Payment Assist refused to pursue a refund from E, but I've not seen there were grounds for it to do so.

Mrs O referred to a term in the agreement that sets out the agreement could be terminated if information Payment Assist is provided which proves to be significantly incomplete or inaccurate. But I think this is a term that Payment Assist can rely on to terminate an agreement rather than a term Mrs O can rely on to request it's ended.

Mrs O has also raised other concerns about being misled at the point of sale; false information provided on the loan application; pressure tactics by E; and Payment Assist's refusal to help. Like our investigator, I've considered if there's any other responsibilities of Payment Assist that might've led to a different outcome. But only to the extent that Payment Assist has had the chance to comment. Any further issues not considered already by Payment Assist would have to be taken up by Mrs O separately.

Like our investigator pointed out, section 56 of the Consumer Credit Act 1974 ("the CCA") has the effect of deeming E to be the agent of Payment Assist in any antecedent negotiations. And section 75 of the CCA makes Payment Assist responsible for a breach of contract or misrepresentation by the supplier under certain conditions.

Mrs O has indicated she was pressured into taking out the course, and that the course type was mis-sold as being practical whereas it was virtual. It's difficult to know exactly what was discussed when Mrs O spoke to E. And I think Payment Assist would have faced those same evidential challenges. I'm conscious the sale took place several years ago and Mrs O was mainly relying on her testimony in her submissions. It looks like Payment Assist reached out to E for its comments, which I think was fair. But I think it fairly would have liked to have seen more to show there was a problem with the antecedent negotiations or that the course was misrepresented in some way.

Moreover, I note E provided Mrs O details of the course name, at least by the time it sent a voucher that described the course as "Virtual Classroom with eLearning". E sent Mrs O the voucher during the withdrawal period. So if she had any concerns that wasn't the course she wanted she could have raised it at that point. And like I've said above, I need to focus on how Payment Assist dealt with the claim based on the evidence presented to it by Mrs O. It's a separate business to E. And I think the supporting evidence was limited. By the time Mrs O said to Payment Assist that she wanted to cancel the course because it wasn't for her, the agreement had already been active (and being repaid) for a couple of months. E also said she'd accessed the course. I therefore don't find there's the grounds to say Payment Assist handled her claim in relation to the negotiations, breach of contract or misrepresentation unfairly either.

Overall, I have to bear in mind that Mrs O acknowledges she spoke to E originally. And that she indicated she agreed to a pay as you go type arrangement. I've not seen documentation that is in line with that sort of arrangement. It's not in dispute Mrs O made payment towards the agreement. Given the way Payment Assist could take payment would have been through its continuous payment authority that was agreed to in the credit agreement, the most likely thing to have happened, to my mind, is that Mrs O agreed to the terms in that credit agreement that was sent to her. While I'll never know for certain if the application through E went exactly as it should have done, on balance, it seems more likely than not that Mrs O changed her mind on completing the course or decided that it wasn't good value for money once she commenced it. But I don't think that should mean Payment Assist was required to cancel the loan I think she'd agreed to.

Finally, I note E offered a partial refund of the value of the course cost – £1,800. Mrs O may wish to speak to it to see if that is still available. She's also free to pursue the complaint by more formal means, such as through the courts, if she wishes. But while I know she'll be disappointed with my decision, I'm not going to direct Payment Assist to take any further action.

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 Mrs O to accept or reject my decision before 28 November 2025.

Simon Wingfield
Ombudsman