

## **complaint**

Mr C complains that Creation Financial Services Limited accepted a loan application, but did not tell him he had been successful and so he took out another loan. He also complains that it has been slow to deal with his complaint.

## **background**

In the summer of 2013 Mr C applied online for a loan with Creation. He says he did not receive confirmation that his application had been accepted and assumed he had not been successful. He took out another loan with a different lender. A month later Mr C discovered Creation had agreed to the loan and had paid the money into his daughter's account. This account does not allow direct debits to be taken from it so no repayments were being made to Creation. Due to it not receiving monthly repayments Creation placed an adverse entry on Mr C's credit file. He complained to Creation which, after several months, agreed to cancel the agreement subject Mr C repaying the loan. It also agreed to remove any adverse entries it had placed on his credit file.

The adjudicator did not recommend that this complaint be upheld. He considered that Creation's offer was fair and reasonable. Mr C did not agree and felt that he had not been treated well by Creation in resolving the problem and some compensation was due.

## **my findings**

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

This problem arose as a result of Mr C using his daughter's account details when applying for the loan. He applied online and received a loan agreement which he signed and returned. When money was not received into his bank account he assumed that Creation had not granted the loan. Once he realised the error it was too late to make use of the 14 day cooling off period. I do not consider Creation has made an error. Mr C returned a signed loan agreement with his daughter's bank details and the bank made the loan as requested.

Creation took 11 weeks to respond to Mr C's complaint and I accept that he made a number of calls to try and speed up the process. I can understand that he found this frustrating. However, Creation made what I consider to be a fair and reasonable offer to cancel the agreement once Mr C repaid the money and to remove any adverse entries it had made on his credit file. The adjudicator has helped both parties to make this happen and the money has now been repaid, the loan cancelled and the credit file updated.

## **my final decision**

My final decision is that I do not uphold this complaint.

Ivor Graham  
**ombudsman**