

complaint

Mrs M complains that Santander UK Plc is holding her responsible for borrowing she says she knew nothing about.

background

Mrs M says that her ex-partner, who she had met online, made an application for a credit card in her name. He then used this for gambling without her knowledge resulting in a debt of over £5,000. He made other applications to third parties leaving her with substantial debts. Police have confirmed to Mrs M that he is now in prison for similar matters. Santander said that this was a civil matter and does not accept that Mrs M did not authorise the borrowing.

The adjudicator recommended that the complaint be upheld. He said that:

- Although the credit card application form included correct personal information about Mrs M, including her previous address, her ex-partner could have found this out.
- Santander had received calls from the mobile phone number it had for Mrs M- but there were no call recordings and he could not determine who had called.
- Although Santander said that Mrs M admitted to applying for this card in a call about the fraud in March 2015, there was no call recording and no case record noting this.
- The usage of the credit card appeared to match that of a fraudster.
- It was not unreasonable to think that Mrs M had not noticed a first direct debit to this credit card from her bank account before she closed it.

Santander did not agree. It said in summary that Mrs M had taken this card out willingly and allowed it to be used. Mrs M had closed her bank account with a third party following concerns it had been accessed by someone else. So it could not see why Mrs M would not have noticed the first direct debit. That was in November 2014 and she did not report the fraud then. All the information indicates Mrs M knew about this borrowing. A call from her mobile, for example, had confirmed an initial gambling transaction of £990 (before fees) as genuine.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

There are two broad explanations of what happened here and I need to decide which is most likely. The view of Santander is that Mrs M willingly applied for the credit card and allowed her ex-partner to use it. That's not to say she realised he wasn't who he said he was at the time but simply that she must have known about this card and the borrowing. This was to the extent that she called and told Santander that the gambling transaction was genuine.

The other explanation is that a fraudster got close enough to Mrs M to know her personal details. He exploited the fact that she moved address – and had used her now previous address, it seems where her mother still lives, in the application. He had access to her phone and arranged for someone else to call Santander, saying that she was Mrs M, both to activate the card and confirm a transaction.

Santander's not challenging Mrs M's account that this borrowing was part of a larger 'scam'. And the evidence Mrs M provides through an email from a police officer investigating the case supports what she says about this. The person involved is known to police for similar

matters. Taking all this into account I don't find on balance that the most likely explanation of what happened is that Mrs M authorised this borrowing from Santander.

my final decision

My decision is that I uphold this complaint and I order Santander UK Plc to remove Mrs M from any liability for this credit card borrowing and remove any reported information about it in her name.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 29 February 2016.

Michael Crewe
ombudsman