

The complaint

Mr C complains about Provident Personal Credit Limited. Mr C says he wasn't informed that he would need to make his loan repayments on a certain day. He says that he needed to make the repayments on his payday, which was a different day, and he says he was told he could do this when he applied for the loan. He says that when he realised he couldn't make the repayments when he wanted, it caused him significant distress.

What happened

This complaint is about one home collected loan Provident provided to Mr C on 20 August 2019. Mr C borrowed £300 and he was due to make 26 weekly repayments of £18. Mr C has been making his loan repayments mostly on a Friday and not always weekly.

Mr C says he was told at the start that he could make the loan repayments on a Friday, his payday. But the terms of the loan say that he would need to make his repayments seven days after the loan was started. Which fell on a Monday.

Provident has looked at Mr C's complaint and has agreed that it was likely that Mr C was not given the correct information about when he should make the loan repayments. But it said he hadn't suffered a loss due to this.

Our adjudicator didn't uphold the complaint. She agreed it was likely Mr C wasn't fully informed about the loan repayment day when he took the loan out. But also said that although Mr C hadn't made all of the repayments at the agreed time, he wasn't been charged any further fees or charges due to this. So, she didn't think that Mr C had suffered a financial loss.

Mr C disagreed with the adjudicator's opinion. He said that when he found out that he would not be able to repay the loans on the date he wanted to he became very distressed. He thinks he should be paid compensation for this.

Our adjudicator didn't change their opinion about the complaint. As no agreement has been reached the complaint has been passed to me.

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.

We've set out our general approach to complaints about irresponsible lending - including all of the relevant rules, guidance and good industry practice - on our website.

Both from what Provident and Mr C have said it seems reasonable to say that there was some confusion about what day Mr C would make the repayments to his loan. So I can accept this was the case.

But Mr C has been able to make the repayments largely on the day that that he thought he would be able to. And even though he hasn't followed the repayment times as agreed in the loan contract, Provident hasn't added fees or charges above those agreed at outset to his account. And I haven't seen any further evidence of any other detriment to Mr C because of this. So I don't think he has suffered a financial loss.

Mr C says he found this very distressing at the time. And I don't doubt this was the case. But in order to award compensation for this I need to be able to say that Provident's actions materially caused this distress.

But this seems to be something that was put right by Provident and Mr C fairly quickly. And Mr C didn't suffer any adverse financial consequences. So, whilst I understand his depth of feeling I don't think any financial compensation is warranted.

I appreciate this is not the answer Mr C is looking for but I hope it doesn't cause him any distress and that my explanation is helpful.

My final decision

For the reasons set out above, I don't uphold Mr C's complaint.

Provident Personal Credit Limited should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 April 2021.

Andy Burlinson
Ombudsman