

complaint

Miss G complains that Provident Personal Credit Limited engaged in irresponsible lending to her.

background

Miss G says she feels the loans PPC gave her were very unaffordable. She says she was allowed to borrow more without it checking her income each time. And she says she now has these loans on her credit file as defaulted and she's struggling to pay them off.

Miss G also says she made the agent aware she was on a zero hour contract at the time. And she says PPC should've seen this as a cause for concern as she may not have been able to make her loan repayments every week.

In addition, Miss G says due to her financial vulnerability she wasn't considering the interest rates and would've said yes every time she was offered more money. And she says she's asked PPC to reduce the interest rates, but it's declined.

PPC says for each of Miss G's eight loan applications it checked the information she'd given was correct and completed a credit risk assessment, including data from a credit reference agency and any past and current experience it had with her. It says an agent then visited her and assessed her affordability by checking her income and general outgoings. And it says the details Miss G gave it were recorded on a paper based form that included a declaration she signed to confirm the information she'd given was true and accurate.

PPC also says the checks it carried out in relation to Miss G gave it no reason to suspect the credit was unaffordable or unsustainable for her. It says the only way it would've known she was struggling financially was if she'd contacted it to make it aware of the situation. And it says whilst Miss G did contact it, she didn't raise any issues about financial difficulty.

Miss G complained to PPC about this matter. And, being unhappy with its response, she complained to this service.

Our investigator thought Miss G's complaint shouldn't be upheld.

Miss G disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

my findings

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

I've decided not to uphold Miss G's complaint and I'll explain why.

The information I've seen confirms PPC carried out the checks and obtained the information it's referred to in relation to each of the eight loans Miss G took out with it. And I see on each application Miss G signed to accept she'd be able to make her payments within her expected budget.

I note PPC doesn't add fees for late or missed payments. And it's told us Miss G's zero hours contract wasn't considered a cause for concern in the circumstances.

From what I've seen I'm satisfied PPC took reasonable steps to ensure it was lending responsibly to Miss G.

I haven't seen anything to indicate Miss G made PPC aware she was having financial problems, either by telling the agent who made weekly visits to collect her payments or by phoning PPC to let it know about her situation. So, I don't think PPC can reasonably be expected to have been aware of this matter.

Taking everything into account, I haven't seen anything to lead me to conclude PPC's done anything wrong. And this means I can't uphold Miss G's complaint.

my final decision

I don't uphold Miss G's complaint against Provident Personal Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 11 June 2018.

Robert Collinson
ombudsman