

complaint

Mrs F isn't happy because she says that Provident Personal Credit Limited mis-sold her home credit loans.

background

Mrs F took out around 17 home credit loans between 2013 and 2016. She says that Provident shouldn't have lent her money she couldn't afford to pay back.

Provident says it carried out enough checks to make sure that Mrs F could afford the loans. And based on the information Mrs F provided it says that she could afford to make the repayments.

Our investigator looked into what had happened. She thought that based on the information Mrs F had given Provident she'd got enough disposable income to cover the cost of the loans. She was also satisfied that Provident had done enough checks to make sure that Mrs F could afford the loans.

Mrs F didn't agree – she says that her credit file should have indicated to Provident that she was having money worries and that she was continually consolidating existing loans. She also told us that the income and expenditure forms didn't take into account the mortgage payments.

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 also think that Provident took sufficient steps to make sure that the loans for affordable for Mrs F. I say that because:

- I've looked at the paper applications that Mrs F made. The information that Mrs F provided indicated that she had enough money each week to meet the repayments for each of the loans. Although Mrs F was taking out loans regularly the information she'd provided suggested that she wasn't struggling financially and could afford the repayments;
- Provident is entitled to rely on the information it was given by Mrs F. Provident asked questions about her existing debt and other outgoings. In the sections of the forms that ask about rent or mortgage payments there is no figure recorded or a figure of zero is entered. Mrs F has signed each of the forms, either by hand or electronically,

to confirm the information she'd provided was right. So I think that she had the opportunity to question this information if she wasn't happy with the information that was being recorded;

- I've also looked at the loans that Mrs F took out using the internet based application. I can see that Mrs F told Provident she received money from her partner in the

income section and I can see that the mortgage payment was recorded in her outgoings. So I'm satisfied that this information was taken into account when Provident considered Mrs F's loan applications;

- I think that the checks Provident carried out were reasonable and proportionate as it did ask Mrs F about her income and outgoings as well as her existing debts. There's no specific requirement for Provident to check Mrs F's credit file. And I think that the checks Provident did were sufficient bearing in mind that the amounts that Mrs F was borrowing were relatively small.

my final decision

I'm not upholding Mrs F's complaint against Provident Personal Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 23 October 2017.

Anna Wilshaw
ombudsman