

complaint

Mr A complains about the way Provident Personal Credit Limited ("Provident") managed a personal loan account he took out with it.

background

Mr A had accounts with Provident for a number of years which appear to have been managed without difficulty. In July 2015 he took out a loan from Provident which, with charges, meant he owed Provident £1,228.50. Mr A made repayments on this debt until February 2016, since when no further repayments have been made.

Mr A says he moved house and informed his collection agent of this. He says he was assured that one of Provident's managers had been informed. He then moved back to his parent's address. He says Provident was aware of this as his parents also had an account with Provident and its collection agent called at their house every week and knew he was living there.

In June 2017, Mr A complained to Provident that

- it hadn't been in touch to collect his payments;
- it had since sold his account which was now in the hands of debt collection agents; and
- he hadn't been able to speak to a representative when he phoned Provident.

Provident didn't accept his complaint. It said wrote to Mr A in April 2016 about his account being in arrears. Its agent visited his address to try to make contact but without success. Further letters were written in line with its normal arrears process, but it received no response.

In July 2016 it sold and transferred Mr A's debt to a debt collection agency, which I'll call "DCA". DCA also wrote to Mr A to tell him the debt had now been transferred to it. Provident did apologise for the difficulties he had in trying to phone it, which were due to some operational changes it had made.

Our adjudicator didn't recommend that this complaint should be upheld. He said Provident's records didn't confirm whether he had told its collection agents about his changes of address. They did show it had tried to contact him in April 2016 by letter and visit, but were unable to get in touch with him.

Although Provident had a duty to assist in making collection arrangements for his account, Mr A knew he had an outstanding debt, and had a responsibility to ensure payments were made. He said Provident's collection agent collected from his parents every Saturday. So the adjudicator thought he could have arranged to be present to pay, or at least make contact, through that agent.

Provident had sent arrears letters and a default notice explaining what Mr A needed to do. A phone number was included, but it didn't appear that he had tried to call this number. Even if he was having difficulties with his collection agent, there were other ways he could have contacted Provident directly. So he didn't think Provident had done anything wrong when it eventually sold his debt to DCA.

The adjudicator agreed that Provident had been slow in responding when Mr A complained in 2017, which Provident itself acknowledged. However this hadn't affected the status of his account as it was sold some time before then.

Mr A responded to say, in summary, that:

- after he first moved out of his house Provident never came to his address;
- the collection agent at his parent's house said they would sort out his account, but didn't;
- he had phoned Provident repeatedly with no answer; and
- the only letter he received was to tell him his account had been sold to DCA.

my findings

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

Provident's records show that it did try to make contact with Mr A. Although he says he tried to make contact by phone and through his own and his parent's collection agents, there is nothing in Provident's records to support this. I think if he had wanted to make payment through his parent's agents, or by post, he could have done so.

So I'm not persuaded that he made sufficient efforts to make contact with Provident after he stopped making payments in February 2016. I don't think Provident did anything wrong in selling his debt to DCA, having failed to make contact with him.

my final decision

My decision is that I don't uphold this complaint, and make no order against Provident Personal Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 23 February 2018.

Lennox Towers
ombudsman