

complaint

Miss M complains that Provident Personal Credit Limited (“PPC”) engaged in irresponsible lending to her.

background

Miss M says one of the loans she took out with PPC was in 2012. She says the agent didn’t explain it was being separated into three smaller loans of £500 each. And she says the agent advised her that was how it worked to ensure she got accepted and it was simply duplicates for main office purposes.

Miss M also says she wasn’t given a proper affordability assessment. She says the documents were incorrect. She says her address has the wrong postcode and her surname’s spelled incorrectly on two documents. And she says the agent was fully aware she didn’t live at her mother’s address and she didn’t have £300 disposable income per month, let alone per week.

In addition, Miss M says the agent never advised her of any missed or late payments. She says she once received a letter sent to her mother’s address about missed payments. But she says she contacted the agent who advised this was an error on PPC’s part and told her she should just ignore the letter.

So, Miss M says she wants the negative information PPC’s put on her credit file to be removed. And she says if she’s entitled to any compensation that would be an added bonus.

PPC says for each of Miss M’s loans it made an assessment of her circumstances, including details of her income and expenditure. It says on each occasion she declared a sufficient level of disposable income to cover the proposed repayments. It says she also signed a customer details form for each loan to declare the information recorded was true. And it says as the details obtained indicated the loans were affordable to Miss M, it’s concluded they were issued responsibly.

PPC also says prior to issuing any further loans its agents were also expected to review payments made towards existing agreements. It says it’s reviewed Miss M’s payment history and noted regular payments from her were adequate throughout the period in which she obtained loans from it. And it says based on these findings, her payment history would’ve given no cause to suspect any of her loans wouldn’t be sustainable. In addition, PPC says if Miss M felt she couldn’t afford to repay the loans, she had a further 14 days to withdraw from the agreements if she wished.

So, PPC says the information it’s put on Miss M’s credit file about her loans is factual and correct. And it says it’s unable to agree to her request to remove the defaults.

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

Our investigator thought Miss M’s complaint shouldn’t be upheld.

Miss M 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 M's complaint and I'll explain why.

PPC had a responsibility to assess whether the loans it made to Miss M were affordable. But there's no set list of checks that must be carried out when assessing affordability. I've seen the income and expenditure assessments PPC carried out. These indicate Miss M's disposable income was more than enough to meet her loan repayments. And I'm satisfied from the information I've seen that PPC carried out a reasonable assessment of the affordability of the loans it made to her.

I acknowledge Miss M says she understood she was taking out one loan in 2012, rather than three separate loans. And she says the agent was fully aware she didn't live at her mother's address and she didn't have £300 disposable income per month, let alone per week. But I see that she signed three loan agreements, she stated her net income was £300 per week and she stated she was living at an address she's told us was her mother's home. So, I don't have enough information to uphold these aspects of her complaint.

I note Miss M says the PPC agent never advised her of any missed or late payments. She says she once received a letter sent to her mother's address about missed payments. But she says she contacted the agent who advised this was an error on PPC's part, so she should just ignore the letter. But from what I've seen it appears the information PPC's recorded on Miss M's credit file about her loans and defaults is accurate. And I don't have enough information to conclude it didn't send default notices to Miss M at the address she'd given it, before passing her information to a debt collection agency.

So, 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 M's complaint.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 12 August 2018.

Robert Collinson
ombudsman