

## **complaint**

Mr D and Miss F complain that Provident Personal Credit Limited took their payment books away for an audit and then told them they owed more money.

## **background**

Mr D and Miss F have credit agreements with Provident and they arranged to pay back what they owed in cash to an agent that called to their home. The agent would update the payment books with the amounts paid. Towards the end of 2014 Mr D and Miss F were asked by an agent for their payment books for an audit to be carried out. When the books were given back to Miss D and Miss F they say that the balances had increased by £300. They complained to Provident and it explained that the balances had been updated incorrectly by the agent and when it compared them to its records it discovered that Mr D and Miss F owed more money. In recognition of the error it agreed to reduce the increased balances for Mr D and Miss F by £50 each.

Our adjudicator thought that Provident should do more and reduce each outstanding balance by half (taking into account the £50 reduction already made). Because Provident couldn't provide copies of the payment books he couldn't be satisfied that the increase in the balance was correct so he didn't think it was fair for Provident to ask for all of the increased amount. Provident didn't respond and so the complaint was passed to me to decide.

I issued a provisional decision on the 3 November upholding the complaints and suggesting that subject to any further comments I received the increase to the balances should be removed. Mr D and Miss F accepted my provisional decision. Provident replied that it didn't have the books so it couldn't produce them. It explained that the system was accurate, no money was missing or owing and it was because of mistakes made by the agent in updating the payment books that the balances were incorrect.

## **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 agree with the reasoning of the adjudicator. Without copies of the payment books I can't be sure that the balance has been updated correctly and so I can't say that Mr D and Miss F owe the revised higher amount. Although Provident say that no money is missing or owing Mr D and Miss F say that their books showed that they owed Provident less. Provident had the original books to undertake the audit and so I would expect it to keep copies to demonstrate that the audit was done correctly. Without this evidence to demonstrate what happened I don't think it is reasonable to conclude that the revised balance is correct.

Mr D and Miss F say that the agent was dismissed for stealing money but Provident do not agree. I have seen a system note from Provident dated 3 November 2014 which says, "*I have upheld this complaint as it has been established the agent had been terminated following shorts on customers accounts.*" Although Provident say that the agent wasn't on any fraud register its own evidence is that this agent was responsible for shorts on accounts. I think that it is possible that Mr D and Miss F may have paid the agent more than Provident says it received.

Mr D and Miss F can't check that Provident has correctly updated the balances and neither can I. In these circumstances I don't think that it is fair for Provident to ask for the revised higher balance and the increase should be removed. I think that the £50 already paid to Mr D and Miss F is fair compensation for the worry and upset caused by increasing the balance.

Provident has said that there are no figures so it is struggling to understand what should be removed. I think that any increase to the balance following the audit should be removed in full in addition to the £50 deduction from each balance already made.

**my decision**

My final decision is that I uphold this complaint. In full and final settlement of it Provident Personal Credit Limited must remove the increase to the balance caused by the audit.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Miss F to accept or reject my decision before 4 February 2016.

Emma Boothroyd  
**ombudsman**