

complaint

Miss P complains that Provident Personal Credit Limited (Provident) did not send someone to her house to collect payments for her loan as agreed.

background

Miss P took out two loans with Provident. When the loans were taken out the arrangement for payment was for an agent of Provident to come to Miss P's house and collect the money. After 18 March 2014 the agent stopped coming and Miss P had to drive to the bank every week. Miss P complained to Provident and asked for another local agent to collect her money but the business would not agree. It says that although personal collection is a service it isn't a guarantee and Miss P has other ways to pay.

Our adjudicator recommended that the complaint should be upheld. She thought that Miss P rightly expected the collection service when she signed up to the loans. Miss P asked for another agent to collect the money but this was refused by Provident. The adjudicator thought that Provident had not properly addressed the concerns raised by Miss P and recommended it pay Miss P £250 for the trouble and upset caused. Provident didn't agree and asked for more time to respond but no further comments have been received.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I think it is reasonable for Miss P to expect that someone would call to her home to collect her payments. This had been her experience with all of her previous loans over a long period. Miss P was used to this method and this seems to have been the way agreed upon when the loans were taken out.

I can understand that things change and people may not be available to make collections but Miss P asked Provident for another agent to collect from her home. I have seen a letter from an agent who says he offered to take over the collections but Provident refused the request as the account was allocated to another agent. Provident has not properly explained in its response why the account couldn't be transferred to another agent who was willing to collect. I agree with the adjudicator that it appears that the arrangement was made to benefit to the agent rather than Miss P.

In the circumstances I think that Miss P has been inconvenienced by having to drive to the bank each week to make payments. I know that because of the problems she was having Miss P settled the accounts by debit card over the phone but that is a recent development. It doesn't change my view that Miss P was entitled to expect that someone would call to her house to collect her payments in cash and this was what she bargained for when she signed up to the loan.

I know that Miss P has found the whole experience stressful and Provident has taken a long time to respond to her and not properly addressed her complaint. For these reasons I think that the complaint should succeed and Provident should pay Miss P £250 to reflect the trouble and upset caused. I know that Miss P doesn't think this is enough but I can't fairly ask Provident to pay any more. This amount is in line with other awards we make and I think

it is enough to compensate for the inconvenience. This service doesn't punish businesses with the level of compensation we award.

my final decision

My final decision is that I uphold this complaint. In full and final settlement of it Provident Personal Credit Limited must pay Miss P £250. Under the rules of the Financial Ombudsman Service, I am required to ask Miss P to accept or reject my decision before 3 August 2015.

Emma Boothroyd
ombudsman