

complaint

Ms J complains that Provident Personal Credit Limited did not inform her that the four loans she had were in arrears and wrongly credited her payments to only one of her accounts. This resulted in incorrect adverse information on her credit file which prevented her from obtaining a mortgage.

background

Ms J complains that when she made payments to the agent employed by Provident, with whom she had four loans, the agent only credited these payments against one account. This led to adverse information being put on Ms J's credit file, wrongly indicating that she had missed payments on the other three loans. Ms J says this incorrect information has led to her being refused a mortgage. Although Ms J accepts she did miss "one or two" payments, she says she never received any letters about this and had she done so, her accounts would not have run into arrears. She says Provident's agent knew she had moved out of her previous address and lied when saying she never made a home visit to Ms J at her new address. Ms J wants the incorrect entries removed from her credit file.

Provident accepted the payments that were made should have been credited against all four accounts and it amended the loan balances to reflect this. It also confirmed there was no adverse information on Ms J's credit file as a result of this mistake. Provident did not accept its agent knew Ms J had a new address and in any event said it had telephoned Ms J to inform her of the arrears and she should have been aware of them in any event. Provident offered a £50 gesture of goodwill due to the mistake over payments not being split and the potential impact of not receiving arrears letters.

The adjudicator concluded that Provident had acted reasonably in amending the loan balances and that there was no adverse note on Ms J's credit file. She also felt the £50 offered was reasonable and Provident could not reasonably be expected to do more.

Ms J disagreed with the adjudicator. She says her credit file shows numerous late or non-payments which do not properly reflect the money she was paying to the agent.

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 am satisfied that although the agent acted incorrectly when it did not credit payments against all four accounts, Provident has now amended its records to reflect the situation as it should have been. I have cross referenced Ms J's credit file with the amended collection statements and am satisfied no adverse information is recorded because of the initial mistake.

Ms J's credit file does reflect late payments that were made on these loans. Ms J says these are unfair because she did not receive letters telling her she had failed to make payments. She says if she had received notification she would not have been so far in arrears. It is not now possible to conclude with certainty if the agent knew of Ms J's new address and failed to inform Provident. However, I am not persuaded that Ms J's situation has been worsened because she did not receive letters. I am sorry to disappoint Ms J but I consider that it was her responsibility to monitor her account. She accepts she knew she had to pay £68.40 each

week. She says that because she would be at work, she left this money and the paying in books with her parents. Ms J would therefore know when she had failed to make her weekly payment. I accept that, on occasion, the agent would send Ms J a text message asking to alter the day of the week for collection, or to miss one week and pay double the following week. I do not consider this would affect Ms J's understanding that she needed to pay £68.40 each week. I am satisfied Ms J would know when she had not made payments and did not need a letter to tell her that she was in arrears.

Ms J says that due to her mother's ill health, it may be that the agent entered the wrong amount without her mother noticing. Ms J has not provided any evidence to suggest the wrong amount was entered and I consider it reasonable to expect that Ms J would herself ensure that her paying in books properly recorded the money she had left with her parents on a weekly basis. On balance I am satisfied that the notes on Ms J's credit file properly and fairly reflect the missed and late payments she made.

Ms J has other defaults from other accounts on her credit file. Given that I am satisfied the notes on her file in relation to Provident have been correctly entered, I am not satisfied that her inability to get a mortgage is due to incorrect data from Provident.

Provident has corrected Ms J's records and offered £50 compensation. I agree with the adjudicator that whilst Ms J suffered inconvenience and dismay as a result of Provident's mistake, I do not find it fair and reasonable to require it to do more to resolve this matter.

my final decision

My decision is that Provident Personal Credit Limited should pay Ms J £50 compensation as it has offered to do.

Charlotte Holland
ombudsman