

complaint

Mr M complains that Provident Personal Credit Limited (the business) did not send him a default notice and that the default date recorded on his credit file is later than it should have been.

background

Mr M entered into a finance agreement with the business in 2009. He says that the last payment he made was in February 2011. He says he could not make any more payments after this date as the payments were collected by an agent at this house and he moved at this time. He says that based on this the default should not have been recorded on his credit file dated January 2012 but should have been much earlier.

Mr M also complains that he did not receive any letters about the default. He says that an incorrect address was recorded on his credit file and that the business could have sent letters to that address. He says he had his post redirected for two years after he moved and that he did not receive the default notice.

The business says that it did not record the incorrect address Mr M had mentioned on Mr M's credit file. It says that the last payment made by Mr M was in June 2011 and that the default is recorded correctly as January 2012.

The investigator said that the default notice issued to Mr M was dated 17 October 2011 and gave Mr M two weeks to repay the balance or make an arrangement to pay. He said that the guidance sets out the date of the default would normally be the date the decision becomes effective, that is 28 days after the date of the default notice.

Based on the above, the investigator recommended that the default date be changed with the credit reference agencies to show the account defaulted 28 days from 17 October 2011.

Mr M did not accept the investigator's view. He said that the last payment he made was in February 2011 and that the business confirmed this on a call to him. He reiterated that the business recorded an incorrect address on his credit file which has since been removed but he suggested the default letters were sent to the incorrect address as he did not receive them.

The business said that the default was recorded correctly. It said that the default notice provided 14 days for payment. It then sent a letter dated 7 November providing Mr M another opportunity to avoid action being taken. It says it then sent a follow up letter as it had not heard from Mr M and then another letter dated 26 December containing a 50% settlement offer. It says that rather than issue the default straight away it tried to provide Mr M with opportunities to avoid this action. When Mr M did not respond the default was recorded.

my provisional conclusions

I issued a provisional decision on this complaint. I concluded in summary:

- the last payment made by Mr M was in June 2011;

- the business sent letters to Mr M about his account including a default notice to the address it had on file;
- there was no evidence to show Mr M updated his address with the business;
- the default notice was dated 17 October 2011 and the default was recorded on 30 January 2012. Between these dates the business provided Mr M with the opportunity to avoid the default being applied including offering a reduced settlement amount. The default was recorded three months after the default notice was issued which I found reasonable given the further actions the business took.

The business accepted my provisional decision.

Mr M did not agree with my provisional decision. He said that he had only dealt with one agent and that he paid nothing after February. He said that the business admitted this on a call.

Mr M said that there was no proof the letters were posted to him. He also said that he had repeatedly offered to pay the outstanding balance in full and have the debt cleared but this had been refused. He said this point had not been addressed.

my findings

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

Mr M says that he did not make any payments after February as he had moved and that he only dealt with one agent. I have looked at information provided about when the property Mr M lived at was sold. This is recorded as taking place after June 2011. The evidence provided by the business shows payments being made up to June 2011.

So, while I note Mr M's comments, on balance I find that the evidence provided supports there being payments made up to June 2011.

Mr M then stopped making payments. I note he says he was not provided with the required information before a default was recorded, but based on the evidence provided, I find it more likely than not that Mr M was sent the required information.

The business offered Mr M opportunities to avoid the default being applied but when he did not respond to these the default was recorded. I do not find that the business did anything wrong in this regard.

Mr M says that he has offered to pay the outstanding balance and this has been refused. The business says that it would not refuse a payment from Mr M and that it would encourage him to make his payment. I agree that Mr M's payment should be accepted but this does not change the decision that the default is recorded correctly and will remain on his credit file.

Overall, I do not find anything that changes my provisional decision. Therefore my decision remains that I do not uphold this complaint.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 April 2017.

Jane Archer
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