

## **complaint**

Mrs J, represented by Mrs G, complains that Provident Personal Credit Limited (the business) did not apply all of her payments to her loan accounts.

## **background**

In June 2016, Mrs J says she received a statement from the business which did not take into account all of the payments she had made.

Mrs J says that from 2007 she had various loans with the business and made payments to its agents. She says that the business says she did not payments for several years but this was not true. She says she does not have all of her payment books because once one was completed the agent took it away and provided another one. Mrs J provided a copy of the payment book she had.

Mrs J says that the business has accepted that there were discrepancies.

The business says that since 10 February 2015 Mrs J made payments by a card and so these would not be marked in her payment book. It says that having reviewed Mrs J's three outstanding agreements they showed mistakes had been made. It says that on one agreement Mrs J's payment book showed Mrs J had made payments of £234.20 more than were recorded in its system. On a second agreement its system recorded payments of £80 more than were in Mrs J's payment book. In the third agreement, its system recorded payments of £132.03 more than in Mrs J's payment book.

The business says that although a total of £446.23 payments were not recorded correctly, most of these payments were recorded against the wrong agreement and so still credited Mrs J's accounts. It says that the net difference was £22.17 which had not been credited to Mrs J's accounts.

The business upheld Mrs J's complaint because of the issues with her accounts. It provided updated balances on the accounts a cheque for £100 as compensation.

The adjudicator said that the disputed payments took place before 10 February 2015 when Mrs J made her payments by cash to an agent. He said that the business had checked Mrs J's three outstanding loan agreements and found a difference of £22 between what its systems recorded and what was recorded in Mrs J's payment book.

The adjudicator said that the business had offered to pay Mrs J £100 compensation for the error that had been made. He found this reasonable.

Mrs G did not accept the adjudicator's view. She said that only one of Mrs J's payment books had been audited and that given the issues all of her payment books should be looked into. She said if this was not done then it could not be known if the balances were correct.

## **my findings**

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

Mrs J entered into a number of loan agreements with the business, many of which were settled over six years ago. However three agreements remain outstanding and it is these agreements that this decision relates to.

Copies have been provided of Mrs J's payments books and the business has provided copies of its payment records. There are discrepancies and I can see that the business has accepted this and said that certain payments were not allocated correctly.

I appreciate the comments made by Mrs G about the historic payment books not being available as once one was complete Mrs J handed it back to the agent. Because of this I have looked at the opening balances on the payment books noted as July 2011 and checked these against the balances provided in the payment statements by the business. In each case the balance recorded by the business in July 2011 is the same as the balance recorded on the payment book so I accept that discrepancies arose after this date.

I have seen four extracts of the payment books. Two relate to the largest loan and one each to the other two loans. The payment books for the two smaller loans have no payments recorded after the opening balance. This means that the balance at the time Mrs J started making payments through another route in February 2015, were the same as the opening balances in July 2011. These were £877.40 and £887.25.

While Mrs J's payment books show the balances to not have reduced from £877.40 and £887.25, the balances prior to February 2015 recorded by the business are £797.40 and £755.22 respectively. This results in the business recording balances totalling £212.03 less than shown by Mrs J's payment books.

In contrast Mrs J's payment book for her largest loan does record a number of payments with the final balance showing as £896.20. I note this is a five pound difference to the amount the business recorded in its letter to Mrs J. The business recorded a balance in February 2015 of £1,135.22. Based on these numbers, there was a difference of £239.02, with Mrs J's evidence showing her to have made £239.02 of payments more than was recorded by the business.

Based on the above information, I find it more likely than not that some of Mrs J's payments were allocated against the wrong agreements. The net effect of the payment differences show that Mrs J made payments of £26.99.

Given a mistake has been made which shows that overall Mrs J made more payments than were recorded Mrs J should be compensated for this. The business' letter dated 3 November 2016 said that it enclosed a cheque for £100 for its error. I find this a fair offer of compensation given the mistakes made.

Because, based on the evidence I have seen regarding the payment differences, I find that the business has provided reasonable compensation, I do not require it to do anything further.

**my final decision**

My final decision is that Provident Personal Credit Limited is not required to do anything further in settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 1 March 2017.

Jane Archer  
**ombudsman**