

complaint

Miss C complains that Provident Personal Credit Limited took away her payment book for an audit and didn't return it. She's not been able to make any payments since so her account is in arrears. She wants the payment book returned, details of the outcome of the audit, and for Provident to clear the adverse information it's recorded on her credit file. The complaint is brought on her behalf by her father, who I'll refer to as Mr C.

background

Miss C agreed two loans in June 2013 with loan terms of 12 months. She thinks around £125 of payments haven't been recorded and she doesn't want to make further payments until her payment book is returned.

Provident said it did return the books and it's tried to collect payments without success. It says arrears have built up since the loans started.

Our investigator didn't recommend that the complaint should be upheld. He concluded that the arrears weren't as a result of the books being taken away and that there was no evidence that a reduced payment plan had been agreed. He didn't think Provident had acted unreasonably in passing the accounts to its debt recovery team.

Mr C didn't agree saying, in summary, that:

- Provident knew the loan was being taken out for his benefit, rather than Miss C's, and it agreed weekly payments of £10.
- There's a discrepancy on the account and he wants the account balance reduced by £125.
- Provident said the books had been passed to its in house debt services team but, when Miss C complained, said it'd returned the books to her.
- He's never said he doesn't owe this money. He's willing to pay it once the discrepancy has been sorted out.

my findings

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

The loans were agreed in the name of Miss C in June 2013. The contractual payments weren't made and the accounts quickly fell into arrears. Miss C said she didn't want to make payments without the books – but the books weren't taken away by Provident until the end of July 2016. So the accounts were already in arrears by then. I can see why she may not have wanted to make any further payments until the books were returned, but the arrears would already have been reflected on her credit file.

It's not clear if the books were returned to Miss C. Provident says they were – but it can't give an exact date so it's not clear what happened. But I don't think that makes any difference to the current position – the account is in arrears and Miss C knows she owes the money.

Mr C sent us details of some discrepancies that he'd noted. He thinks payments were made but not reflected in the balance outstanding. But the payments he says were made are shown in the Provident's system records and have been reflected in the balance outstanding. There's not enough evidence for me to conclude that any payments made by Miss C weren't recorded.

Mr C says he agreed a reduced payment plan with Provident's representative to pay £10 each month. But Provident would only have agreed a reduced payment plan with the borrower – Miss C – and only after it had assessed her income and expenditure. There's no evidence that this was ever done, so I can't conclude that a reduced payment plan was agreed.

I can see that Provident made several attempts to contact Miss C about the arrears on the account – by phone, in writing and through visits to her home, but without success. So I don't think Provident acted unreasonably when it passed the debt to its recovery team. Mr C says Miss C knows the debt is owed and is willing to pay it so I recommend she contacts Provident to arrange payment.

my final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 19 July 2017.

Elizabeth Dawes
ombudsman