

## **complaint**

Mrs A complains about the amount she has had to pay to settle her loan with Provident Personal Credit Limited.

## **background**

Mrs A took a loan with Provident to be repaid over 12 months. She called in October 2016, around half way through the term, to settle the loan early. She queried the settlement figure she was given as she thought it was too high. Provident called her to explain the amount required to settle the loan and how this was calculated. It followed this up in writing a few days later.

Mrs A then paid the amount she had been told was outstanding, but by this point the amount needed to redeem the loan had increased. So the amount she paid, didn't settle the outstanding balance. Mrs A complained again, on 10 November, saying she didn't think it was fair that the outstanding amount should've increased. She was told this would be looked into and someone would call her back.

She wasn't contacted with an answer to her query until 6 December 2016. By this point the amount required to repay her loan had increased further. Mrs A did repay the loan in full at this point, but was unhappy with this. So she referred her complaint to this service.

One of our investigators looked into the complaint. He thought Provident should've made it clear that the amount needed to settle Mrs A's loan would continue to increase whilst her complaint was being looked into. He thought Provident should pay £50 to Mrs A to reflect the additional interest Mrs A paid and for the trouble and upset this had caused.

Provident didn't agree so the complaint has been passed to me to consider.

## **my findings**

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

I've listened to the call between Provident and Mrs A on 10 November. I can see she was led to believe she would get a call back later in the day. I can also see Mrs A called back a few days later chasing a response. It's unclear why it took until 6 December to get an answer to Mrs A's complaint. But I don't think it was made clear that the balance would continue to increase during this time. And I don't think it was fair for Provident to keep applying charges whilst Mrs A was waiting for an answer to her complaint, given that the complaint was about the increasing balance - something that was clearly of concern to her. And I agree with our investigator that, had she been told the balance would continue to increase, she would've made a payment sooner.

Having considered everything I have, I agree a fair way to resolve this complaint is for Provident to make a payment of £50 to Mrs A to reflect the additional amount of interest Mrs A has paid, and the trouble and upset this matter has caused.

**my final decision**

My final decision is Provident Personal Credit Limited should pay £50 to Mrs A.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 7 March 2017.

Rob Deadman  
**ombudsman**