

## **complaint**

Mr M complains that Provident Personal Credit Limited recorded adverse information on his credit file which affected his ability to get credit and increased the cost of borrowing.

## **background**

Provident agreed to remove negative information from Mr M's credit record in 2012. So, Mr M was unhappy to find out recently that it had recorded defaults with one credit reference agency (CRA) after that. Mr M feels Provident was slow to take action when he drew the issue to its attention - he had to chase Provident to acknowledge the error and take appropriate action.

Mr M thinks he is likely to have been turned down for credit - and/or had to pay more than he otherwise would to borrow money - because of Provident's actions. He says this prevented him from growing his financial business and deprived him of income. Mr M thinks he's lost about £3,000 and he'd like Provident to compensate him accordingly.

Provident accepts it should have sorted this out sooner. It amended Mr M's credit record and paid him £150 compensation for any distress and inconvenience caused.

Our investigator isn't satisfied that there's enough evidence to show information Provident recorded caused Mr M financial loss. He says we can't be sure why lenders might have rejected credit applications or offered less favourable terms - as lenders make such decisions using their own criteria. He thinks Provident responded reasonably overall when Mr M complained and the compensation it paid is fair.

Mr M says it should be clear, on the balance of probabilities, that he has lost out financially due to Provident's mistakes. He was refused credit cards and other forms of finance, high street banks turned him down for a business account and he had to resort to borrowing from payday lenders because of what happened. He considers Provident should pay £3,000 compensation and asked for an ombudsman to review the matter.

## **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'm sorry to disappoint Mr M but I've reached much the same conclusions as our investigator for substantially the same reasons.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

I'm satisfied that Provident has acknowledged it made mistakes and agreed to remove the negative information it recorded incorrectly from Mr M's credit file. So, all that's left for me to decide is the appropriate level of compensation.

I understand Mr M has strong feelings about what happened. I want to assure him that I've given careful thought to everything that he's said and sent to us. I am sorry to hear about his health conditions - I understand he's had a difficult time and I appreciate this matter has probably caused him additional stress and worry.

Provident accepts the mistakes it made are likely to have caused Mr M some distress and inconvenience. It paid him £150 to reflect that. I understand Mr M doesn't think this is enough. He says it should be obvious that he's lost more than that because of what Provident did. He'd like me to assess this loss at £3,000 and find Provident should pay that amount in compensation.

I accept negative information recorded with CRAs is likely to have an impact on the decisions of some lenders. But, I think financial businesses generally review applications on several criteria, not just the results of a credit search. And I would have to be satisfied that Provident's mistakes here are likely to have resulted in actual financial loss to Mr M - if I'm to reasonably conclude that it should pay compensation at the level he thinks is fair.

Our investigator asked Mr M to send us some evidence to show that he'd been refused and/or offered credit on less favourable terms over the last five years. I've seen the paperwork that Mr M supplied. I accept this shows he took out high cost, short term loans during this time. But, I'm not persuaded that the information Mr M provided is enough for me to fairly find that he must have lost money because of Provident's actions.

I haven't seen any evidence from financial businesses to show that Mr M was refused credit (that he'd have been granted otherwise) or lost out financially because of the information Provident recorded. On balance, I'm not satisfied that there are reasonable grounds here for me to safely conclude that Mr M lost out on or had to pay more for credit because of Provident's mistakes. So, while I'm sorry to disappoint Mr M, I can't fairly require Provident to pay compensation at the level he's suggested.

I accept Mr M is likely to have experienced distress and inconvenience because of what happened. I can see he had to go to some trouble to get things put right. But, I consider the £150 compensation Provident has paid already seems fair, in this situation. Like our investigator, I'm satisfied Provident has provided a fair and reasonable response to Mr M's complaint overall so I'm not going to ask it to pay more or do anything further.

### **my final decision**

For the reasons I've explained, my 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 1 July 2018.

Claire Jackson  
**ombudsman**