

complaint

Ms O complains that she was mis-sold her loans with Provident Personal Credit Limited ("PPC") and that it engaged in irresponsible lending to her.

background

Ms O says the terms of her loans weren't explained fully to her, including the amount of interest payable. She says affordability tests weren't done. And she complains about the conduct of a PPC agent, who she says targeted her due to her vulnerability.

So, Ms O says she wants her loans to be cancelled, or at least the interest to be reduced. And she says she wants any negative entries about the loans removed from her credit file.

PPC says Ms O took out 13 loans with it between June 2013 and June 2017 for amounts between £100 and £1,500. It says in each case it made an assessment of her circumstances, including details of her income and expenditure. And it says for the first five loans she signed a customer details form to declare the information she provided was a true reflection of her financial circumstances.

PPC also says Ms O's eight other loans were completed on a lending app. It says its agents still performed an affordability assessment, but the details were recorded electronically on a hand held device. It says the lending app features a built-in control whereby applications will be rejected if a customer's weekly disposable income deems the loan unaffordable. And it says its systems combine applicant-sourced data with monthly refreshed credit bureau data and the customer's previous history with it, to determine its lending decision.

In addition, PPC says for each of her loans Ms O declared a level of disposable income in excess of the proposed repayments. It says her payment history would've given no reason to suspect any financial difficulties. It says Ms O's loan agreements each detail the key features of her loans, including the amounts, repayment terms, total amounts payable and APR. And it says she entered a signature on each agreement confirming she agreed to be legally bound by its terms.

Ms O complained to PPC about this matter. And, being unhappy with its response, she complained to this service.

Our investigator thought Ms O's complaint shouldn't be upheld.

Ms O disagreed with the investigator's conclusions. So, the matter's been referred to me to make a final decision.

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 decided not to uphold Ms O's complaint and I'll explain why.

PPC had a responsibility to assess whether the loans it made to Ms O were affordable. But there's no set list of checks that must be carried out when assessing affordability.

I've reviewed the information PPC's given us about the checks it carried out when agreeing to lend money to Ms O. And I'm satisfied it carried out a reasonable assessment of the affordability of each of the loans it made to her.

I don't have enough information to comment on what the PPC agent may have said to Ms O about the interest payable on her loans. But I've seen the application documents she signed and these fully explain the terms of the loans, including the interest charged. So, I think PPC took reasonable steps to draw this important information to Ms O's attention. And, in these circumstances, I can't conclude the loans were mis-sold to her.

I note Ms O's indicated she's vulnerable because she suffers from a disability. PPC says it's now noted this matter and it says it's forwarded this information to its customer care team. But I don't have enough information to conclude PPC previously knew or ought to have known about Ms O's personal circumstances.

Ms O's also raised a number of issues about the conduct of a PPC agent. But PPC says it isn't able to comment on these matters as the relevant person no longer works for it. I don't have enough information to determine what took place in the dealings between PPC's former agent and Ms O. So, I can't uphold this aspect of her complaint.

Taking everything into account, I haven't seen anything to lead me to conclude PPC's done anything wrong. And this means I can't uphold Ms O's complaint.

my final decision

I don't uphold Ms O's complaint against Provident Personal Credit Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 30 June 2018.

Robert Collinson
ombudsman