

complaint

Mr C complains about the way in which Provident Personal Credit Limited has administered his home credit account.

background

Mr C took out three home credit loans with Provident. Each was to be repaid by weekly payments. Mr C repaid two in full, but there is a balance outstanding on the third loan. Mr C was to make weekly repayments of £60 to pay off the balance due.

Provident says that Mr C is in arrears with his loan repayments. Mr C does not agree that this is correct. He says that he was told that he only had to make payments every two weeks. Further, the payment dates recorded in his payment book are different from the dates he actually made payments. This means he is recorded as being in arrears when he is not.

Mr C is also unhappy that he has been charged additional interest on the arrears.

Mr C complained to Provident. It did not uphold his complaint so he brought it to us to consider.

The adjudicator did not recommend that the complaint should be upheld. He noted that Provident had recorded the date Mr C's payments were received by its Head Office rather than the date they were made by Mr C. They have not however been recorded as late payments. The difference in the recordings of the dates has not had any adverse effect on Mr C.

The adjudicator considered that Mr C is in arrears with some of the payments due under the loan as he had not made all the weekly payments due under it.

The adjudicator was not persuaded that Provident had acted unfairly or unreasonably towards Mr C in relation to his loan account. The adjudicator noted that Mr C had not been charged any interest or fees on the arrears.

Mr C does not agree with the adjudicator's recommendation. He says that he was asked by Provident's agent to make payments every two weeks rather than every week. This means that he should not be regarded as having missed payments when he did not pay weekly.

Mr C points that he has always made the payments that were due under the loan agreement, and so should not be in arrears.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Dates in payment book

Provident has explained that the payment date is recorded as the date that its Head Office receives Mr C's payments, rather than the date he actually makes payment. This has not resulted in any late payment entries, or any other adverse action against him. In light of this I find that Provident has acted fairly in the way it has recorded Mr C's payment dates.

Arrears

Mr C says that Provident's agent told him she could only visit every fortnight to take payment from him, rather than every week. He says that this is the reason that he has missed payments.

I have read the record of Mr C's payments to his account. Until late 2013, he was making payments of £120 a fortnight. He later changed this to payments of £120 a month. This has meant that arrears have built up on the loan. Mr C says that he was told that this arrangement was acceptable by Provident's agent. I am not however persuaded that this was the case. The terms of the loan confirmed that he had to make repayments of £60 a week. This was noted in his payment book. I have not seen anything in writing from Provident which said that this requirement had been changed to £60 a fortnight.

As Mr C was not making the necessary weekly loan repayments, arrears built up. I find that Mr C is in arrears with his loan payments, and that the amount of the arrears has been correctly recorded by Provident.

Interest

Provident has explained that there are no charges or interest sums payable if a customer does not make a payment due under a home credit loan. This means that Mr C has not been charged any additional sums for missed payments. As such, I find that it acted reasonably when Mr C missed payments due.

my final decision

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

Rosemary Lloyd
ombudsman